MS thesis
Marketing and International Business

Purchasing Premium Private Labels
An investigation of a potential for maternity and breastfeeding clothes in the retail sector

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February 2014
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Thesis for the Degree of Master of Science in Marketing and International Business
Supervisor: Gunnar Óskarsson

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School of Social Sciences, University of Iceland
February 2014
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An investigation of a potential for maternity and breastfeeding clothes in the retail sector

This is a 30-credit thesis for the degree of Master of Science at the Faculty of Business, School of Social Sciences of the University of Iceland

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Prentun: Háskólaprent ehf.
Reykjavík, 2014
Preface

This thesis is the final project for the master’s degree, 30 credits (ECTS), in Marketing and International Business at the Faculty of Business at the University of Iceland.

The thesis was supervised by Professor Gunnar Óskarsson. I would especially like to thank him for his inspiring and supportive guidance during the writing of the thesis. Finally, I thank my family and friends for their good advice, tolerance and help, during this process.
Abstract

In this study a specialized retail market was examined, concentrating on stores selling clothes for pregnant and breastfeeding women in Scandinavia.

One of the hottest trends in retailing is the emergence of premium private labels. The objective of this research is to investigate if there is a potential in offering Premium Private Labels (PPL) for this retail sector since it is considered to be a short specialized clothing period. Prices of PPL can be ten times higher than the price of the “standard” product but other factors than only price defines the worth and value of premium products. Retailers’ constraints and controlled factors were examined but the main focus was placed on the Consumer Decision Process (CDP) model. The CDP-model includes five stages and seven consumer behavior domains. The domains in the “purchase” stage were connected when organizing the quantitative research. An interesting result from the survey indicated that only 11,1% of purchase managers in the maternity and breastfeeding clothing sector purchased luxury brands for their customers. Based on the answers from the questionnaire, there might be a potential for offering more “premium private label” because retailers are positive in trying to meet the needs of pregnant or breastfeeding buyers.
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1 Introduction

The core of a specialized retail store is its emphasis on a certain variety of product it offers. Retailers need to organize their stores carefully regarding the products they offer, because it affects their market position and brand image. The retailers have to take care of the brands, price level and quality composition of products (Mantrala, Levy, Kahn, Fox, Gaidarev, Dankworth & Shah, 2009). A retailer that offers strong private-label brands can build up store loyalty and earn a differentiation advantage (Corstjens & Lal, 2000) on the marketplace.

In this study a specialized retail market was examined, concentrating on stores selling clothes for pregnant and breastfeeding women in Scandinavia. The Consumer Decision Process (CDP) model was used in order to understand how the retailers buying process is influenced. It has been estimated that Premium Private Labels (PPL) can increase store traffic, and improve profitability and store loyalty (Kumar, Jan-Benedict & Steenkamp, 2006). Retailers need to emphasize on aesthetics, quality and functionality when selling a PPL because the price can be ten times higher than the price of the “standard” product. Other factors than only price defines the worth and value of premium products (Allsopp, 2005).

Previous research has not investigated if these labels are a suitable option for this market since it is considered to be a short specialized clothing period for the woman. Retailers’ constraints and its controlled factors are looked at that might affect their buying behavior. The objective of this research is to investigate if there is a potential in offering PPL maternity and breastfeeding clothes in the retail market, and if customers will be receptive to premium private labels in this sort of product. Focus was placed on the stage “purchase” in the CDP-model and its five domains: (1) goals, schema and information processing, (2) attitudes, (3) affect, (4) atmospherics and (5) attributions and choices.

The author proposes that the stages in the CDP model can be used in order to answer the following research question:
is there a potential for offering “premium private label” to the retail sector for maternity and breastfeeding clothing market in Scandinavia?

The author suggests that the five stages in the consumer decision process affect retailers and their buying process. This thesis focuses on understanding the retail environment selling clothes for pregnant and breastfeeding women in Scandinavia. The study results contribute to the knowledge of PPL in the retail sector.

The thesis is divided into seven multiple sections. The second chapter provides theoretical background. At the end of the chapter a closer look will be taken at the stage of “purchase” and its domains and how they affect purchasing managers in retailing. The benefits retailers will gain when purchasing premium private labels will be emphasized. The third chapter provides an insight into the maternity and breastfeeding clothes industry, the behavior of target groups, fertility rate and how the clothes function. The fourth chapter is a presentation of the research, which investigates if there is a potential in offering superior quality clothes in this retail market. The fifth chapter deals with the methodology used in this thesis and the quantitative research, which was undertaken in order to back up the findings. The sixth chapter contains the conclusion. It involves the results from the attempt to answer the research question and a discussion on restrictions from the research. The seventh chapter contains a proposal for further research. At the end, there is bibliography.
2 Theoretical background

The main focus in the Theoretical chapter is on the Consumer decision process model. A closer look will be on how five domains in stage “purchase” can have impact on retailers purchasing managers. It will be proposed that the domains can also influence retailers in purchasing premium private labels. Consumers and retailers can gain positive benefits from PPL, these benefits will be explained and how they can drive purchase decision. To get a deeper understanding on how the retail environment functions and influences the buying process an closer observation will be on each stage in the CDP-model, retailers constraints and the firms controlled factors.

2.1 Consumer decision process

The Consumer Decision Process (CDP) model, also known as the Buying Decision Process was first introduced by John Dewey in 1910 (Bruner II & Pomazal, 1988). The model includes five decision process stages, which a consumer often goes through before, during and after a purchase of a product. The model has been widely used around the world to explain consumers’ behavior when considering a purchase (Boundless, 2013).

Puccinelli, Goodstein, Price, Raghubir & Steward (2009) suggest that retailers should connect seven domains with the theoretical CDP-model to get a deeper understanding of customers’ behavior in retail environment. The domains are highlighted in different ways in the model but they are: (1) goals, schema, and information processing, (2) memory, (3) involvement, (4) attitudes, (5) affect, (6) atmospherics, and (7) consumer attributions and choices.
Each domain is connected in a different way to the decision-process stages, Fig. 1. The theoretical framework helps retailers to increase satisfaction among customers and their own retail performance. The stages are five in the model: Need Recognition, Information Search, Evaluation, Purchase and Post-Purchase. Each stage has different features in the retail environment.

### 2.1.1 Need Recognition

Need Recognition is the first stage in the Consumer Decision Process. When having a problem consumer finds the need in purchasing product in order to solve the problem (Blackwell, Miniard & Engel, 2001). A retailer’s product can satisfy and solve consumer problems, and when it does retailer’s goals are achieved, thus affecting consumer behavior. When consumer recognizes product, he can get involved and interested in learning more about it (Grewal, Levy & Kumar, 2009).

Need recognition can be connected with the three domains in the CDP model. *Schema and information* processing involves for example, customers’ knowledge that a certain type of product exist on the market, or retailers’ realization of increased customer awareness of a certain assortment. It can be explored if there is increased customer *involvement* in a product, resulting in an increased sale in a certain category.
Environmental issues can affect customers, and it can be explored if they prefer to purchase products that are environmentally friendly.

### 2.1.2 Information Search

Search for information is the second stage and can be both external and internal. Collecting information from a friend or at a marketplace or through advertisements refers to external, but bringing information back from memory refers to internal (Blackwell et al., 2001). Retailers seek to communicate messages and attract consumers with price promotions, display windows, advertisements and their website. Consumers tend to make a prestige distinction between stores when they get highly involved in a product (Puccinelli, et al., 2009).

Information search can be connected with the four domains in the CDP model. It can be about gaining information and overview about products and sale in each segment and what kind of product assortment is more favourable in customers search. It is good for retailers to know how they can affect consumer’s memory or get them involved so they return back to the store.

### 2.1.3 Evaluation

Evaluation is the third stage. Consumers compare products and find it important to evaluate which one would satisfy their needs at a given moment, depending on attributes, price, quality and location (Blackwell et al., 2001).

Primary need is though not often satisfied even though retailer provides consumers with products he likes. First choice might not be bought due to many reasons. Retailers have to balance their stores, having too much to choose from can be confusing and overwhelming for the consumer (Grewal et al., 2009). Retailers spend a lot of effort in trying to create a positive attitude towards their goods and services.

If consumers are in a good mood they might be more willing to behave in the way that benefits the retailer and makes his margin profit rise. Consumers are often willing to come back to a store if they have been satisfied and by doing that they are choosing one convenience store over another (Puccinelli et al., 2009).
Evaluation can be connected with the seven domains in the CDP model. To gain further information about evaluation retailers can for example try to find out how customers attitude is towards a new label. Retailers can evaluate if they should build up a new relationship with new suppliers or if they can get consumers involved in a new label in certain category in order to expand it. More choices can affect atmospherics in stores so it becomes positive. Retailers can then gain higher profit and more satisfied consumers. This can affect customer’s memory and loyalty therefore it is important for retailers to evaluate the store and its future.

2.1.4 Purchase
Purchasing a product is the fourth stage. Many factors and decisions are involved in the stage of purchasing, for example which retailer and location to choose, and what kind of prices to decide on. Consumers may prefer one retailer but choose another one, who is less favourable, due to many reasons (Blackwell et al., 2001).

To solve problems or achieve certain goals consumers purposefully engage in shopping behavior that exposes different attitudes that can affect the consumer decision process. Research suggested that atmosphere in stores may be involved in retailer’s pricing strategy in order to affect consumers behavior (Puccinelli et al., 2009). Setting the right price on a product is the most important task for a retailer. Prices affect the image of the retail store. If price is set too low many negative attributes might occur on the product and the service. Retailers are encouraged by category management not to focus on individual brands but on the profitability of the entire segment (Grewal et al., 2009).

Purchase can be connected with five domains in the CDP model. By asking retailers questions about how much money they spend on buying clothes from a brand and then how much they sell it from their store is valuable information. Those answers can lead to understanding of buying behavior and attitude both among retailers and the target group and how it affects them. It is important for retailer to have overview and reliable information about how much quantity is sold per season, per category to see if profit margins can rise. To see how the atmosphere and development is on the market, it can be investigated if many new brands are entering the market.
2.1.5 Post-Purchase

Post-Purchase is the last stage in the Consumer Decision Process. It is the stage where the consumer finds out whether the product fulfilled his expectations or not. Consumer will store the satisfaction or dissatisfaction in his memory and bring it back next time he starts the buying process (Blackwell et al., 2001). For retailer to get a choice confirmation from consumer when entering store is an important part of post-purchase satisfaction (Puccinelli et al., 2009). Consumers can easily spread by word of mouth the value of purchasing the product. Dissatisfied consumers will very likely never purchase the product again in future time and that is a big loss for both the supplier and the retailer.

Post-purchase can be connected with the five domains in the CDP model. Retailers could focus on consumers’ attitude regarding different segments choices in order to see if certain category could be expanded. It can be vital for retailers to be informed what service behavior will increase consumer satisfaction so he returns back to store and post-purchases. Retailers could also be aware what marketing and service method creates positive atmosphere that makes consumers get more involved and interested in the store.

The five stages in the CDP model and its seven behavior domains in retail/customer experience can help retailers in understanding their consumers better. It is important for retailers to know how to influence consumer behavior and get their attention that leads to purchase and makes their profit margin rise. The five stages in the CDP model and its seven behavior domains are an organizing framework that retailers can use as opportunity to become better informed in their own retail environment. To answer the research question the stage “purchase” and its domains will be examined later in the research in order to understand retailers buying behavior.
2.2 Premium Private Labels

Many people around the world have started to search for more value in products and it is said that recession in the economic environment might be one of the reasons (Nenycz-Thiel, 2010).

One of the hottest trends in retailing is the emergence of premium private labels (PPL). In Europe, particularly consumers will pay more money for premium (better-quality) labels. During the 20th century market was lead by global manufacturer brands but now in the 21st century permanent competition of private labels is dominant (Kumar et al., 2006).

Private labels are owned or sponsored by retailers, distributors or wholesalers. The reason for the existence of these labels is for example to have power over manufacturers (Nenycz-Thiel, 2010) because in old times retailers were often forced to accept products from manufacturers with “take it or leave it” choice. Private labels increase store traffic, improve profitability and store loyalty. Premium private labels are superior in quality offered at higher price and represent unique products (Kumar et al., 2006).

2.2.1 Premium Private Labels / consumers

Consumers’ personal interest in a product is a very important behavior factor when the question comes to the willingness to pay a premium. Purchasing premium products is about quality and status that differentiates ourselves from others. In research done in eleven different markets, thousand UK consumers were asked if they could “afford to splash out on luxury goods sometimes”, around half of the consumers agreed. This result indicates that UK consumers are not bound to price all the time and enjoy engaging in the premium market occasionally (Allsopp, 2005).

In some retail stores premium-priced brands are the highest priced product in certain categories. These brands are often highly profitable if the retailer is able to convince customers of purchasing superior quality (Kumar et al., 2006).

The benefits consumers gain in purchasing premium is functional, emotional and self-expressive and that is the reason why consumers can become very loyal to the
brand, which makes it difficult for competitor labels to overcome. The relationship between a premium private label and its consumer can therefore move beyond its products (Aaker, 1996). A research reports that many consumers desire luxury products but are motivated to purchase them at the best value (Hagtvedt & Patrick, 2009).

2.2.2 Premium Private Labels / retailers
Retailers need to emphasize on aesthetics, quality and functionality when selling a PPL because the price can be ten times higher than the price of the “standard” product. Other factors than only price defines the worth and value of premium products (Allsopp, 2005).

Customer-driven pricing strategy is often used by retailers selling PPL because its purpose is to capture value with high price but not necessarily to increase sale (Kumar et al., 2006). Market position and differentiation is created by offering PPL to customers. For retailers to provide customers PPL is to create excitement in stores because these labels are unique and attract customers.

2.2.3 Premium Private Labels / clothes
Luxury clothes/premium private labels are not intended for the mass market. Mass production is often made of poor quality fabric and is a part of the “fast fashion” with “just in time” manufacturing producing six to eight fashion seasons per year (Greenpeace International, 2012). Fast fashion is very common in the fashion world where trends in clothes are picked up, produced and distributed in a matter of weeks around the world (Kumar et al., 2006).

It is said that luxury products provide extra pleasure (Kapferer, 1997) and that the main factor that sets luxury products apart from others is the psychological benefits like satisfaction and delight that is achieved when purchasing.
2.2.4 Premium Private Labels / environmental friendly clothes

Growing global concern for environmental protection on the part of governments, nongovernmental organizations, businesses and the public is the root of ‘eco-labelling’ or environmentally friendly products (Boström & Klintman, 2008).

To meet changing consumers demand many retailers have started to adjust their assortments (Grewal et al., 2009), such as providing organic or sustainable products.

The benefits retailer gains in providing organic or sustainable clothes is that the target group “green consumers” perceive the products as high-quality, superior to competitors conventional offerings. Consumers gain higher-self esteem purchasing and accept higher cost because the clothes have environmental friendly advantage. Retailers should according to most green literature aim on targeting the green consumers instead of the green products they provide (Meyer, 2001). It is vital for retailers when buying clothes for their stores to purchase products with consciousness that will satisfy consumers demand. Many premium private labels have started to use organic fabric or have created new technology to improve sustainability like the company Qmilk.

Their products are made of 100% natural and renewable resources, milk. Times magazine voted them among the 50 best inventions of 2011, providing the textile industry with sustainable fiber that is soft as silk but made out of milk and can easily be colored (Qmilk, n.d.). A video made for Qmilk got the name:

\[ \text{Qmilk – the fiber made of white gold!} \]

(Qmilk, n.d.)

2.2.5 Corporate social responsibility and sustainability

For a retailer firm to integrate corporate social responsibility into its value chain (firm offering) can create a competitive advantage on the marketplace because both tangible and intangible resources can be gained like increased profit and goodwill (Hollensen, 2011). If a retailer is aiming on having an environmental advantage with its offering the supply chain plays an important role. In the future it is not possible to
use only organic materials because the resources are not endless and therefore are many designers developing new products in a sustainable way by “upcycling” which means turning waste materials into a better quality product (Martin, n.d.). Sustainability cannot be added on production, it has to be implemented into the structure and process like using less water resources in production.

Production companies that are sustainable, or use the tools of CSR, appeal to transparency, accountability and trust (Garsten & Jacobsson, 2011) towards customers. For a retailer to be aware of the production process is an important factor when introducing a product to customers. It is vital for many customers when making a purchase decision to know if the product have reduced chemicals or have been produced in an environmental friendly way.

A research made by the Danish Chamber of Commerce showed that 20% of companies have increased their earnings by working with CSR. Sustainability is then the core figure where environment and growth are combined (Campbell, 2011).
2.3 Retailers Constrains

The decision support model addresses three sets of trade-offs that have different inputs in order to understand how assortment planning can be so challenging. The trade-offs are consumer perception and preferences, retailer constraints and environmental factors. The model also considers category assortment decision, customer experience, loyalty, profit and customer lifetime value (Mantrala et al., 2009).

A closer look will be taken at retailers constraints, namely: (1) physical space and format choices, (2) market position and brand image, (3) private versus national brands, and (4) budget, affects assortment planning.

![Figure 2. Product assortment planning model (Mantrala et al., 2009).](image)

2.3.1 Retailers constraints (1): physical space and format choice

The most obvious constraint is the space available in the store and therefore the possibility to fill the space with different product assortments. Total floor space remains fixed with ancillary areas like cash wraps, shelf space requirements and dressing rooms. Retailers are then often forced to make less-than-optimal space allocation for their products. Retailers need to make strategic decisions about how much space is needed for each product category based on numbers of each stock-keeping unit (SKU) and variety of products. Retailers must stock products in shelf’s to
satisfy demand but shelf space requirements is affected by variability (Mantrala et al., 2009). Retail format choice has limitation in attributions, prices and service level. Retailers need to decide the format of their store, such as being a lifestyle specialty store, discounter or a mainstream department store (Carpenter & Moore, 2010).

2.3.2 Retailers constraints (2): market position and brand image
Retailers aiming on special target groups have to consider what kind of assortment they want to offer in terms of quality and price level. The retailers’ market position is also defined by the variety and depth of the stock-keeping unit (SKU) of each category. Retailers need to choose exclusive brands to sell which supports the store brand image (Mantrala et al., 2009). One of retailers’ constraints might be that they cannot purchase new brands that are substitutable to brands already bought in for the store. Retailers might also want to buy a new brand but it might affect the store market position and brand image, and therefore it might not be possible.

2.3.3 Retailers constraints (3): private versus national brands
Mantrala et al. (2009) note that retailers are in general increasing the presence of private-labels because these brands reflect value, standard and premium of the store that influence store image and positioning. For a retailer to offer consumers a strong private label can build up store loyalty and therefore be in their advantage on the marketplace. International brands are also very important for retailers to have in stores because they are well advertised globally and recognizable but the flaws can also be that national brands are distributed all over the world and therefore not as exciting as private labels.

The constraints that the retailers might face involve the adaptation of the private labels by the competitors, and therefore it is not possible for the retailer to purchase them into his store. For a retailer to only provide consumers assortments from national brands can affect the store image.
2.3.4 Retailers constraints (4): budget

Retailers must have budget for their store in order to purchase products and to build up awareness around the store. Marketing mix is a big element, like advertisement, that retailers need to put their money in to reach the target group attention and build up awareness.

By investing part of the budget in advertisement, image of the store will lead to success in long term (Nenycz-Thiel, 2010).

In economically difficult times retailers budget is the biggest constraints retailers have to face. They have to organize their budget very well in order to maintain business. Budget is therefore the most strategic decision factor in determining what kind of product assortment to offer (Mantrala et al., 2009).
2.4 Macro Factors

In the retail environment, the role of macro factors can shape customers experience and behavior. The result is represented in win-win value exchange between the customers and the retailer. Superior customer experience results in satisfaction and frequent shopping visits that leads to higher profits for retailers. Macro factors can affect the retail/consumer experience and the firm controlled factors (retail drivers), as seen in the organized structure, Fig. 3.

![Organizing structure diagram](image)

Figure 3. Organizing structure (Grewal et al., 2009).

Macro Factors are first and primarily results from major political- and macroeconomic factors like inflation, stock market, unemployment, recession and interest rates. The retail drivers are: (1) promotion, (2) price, (3) merchandise, (4) supply chain, and (5) location (Grewal et al., 2009) but the retail/consumer experience can be shaped in different ways.

Grewal, Levy & Kumar (2009) mention that the competitive market requires more than just innovative products and low prices. Suppliers and their retailers must be creative in order to get a share of consumers shrinking wallet in today’s economical crisis. Unemployment has increased, savings reduced and food price raised. Because of these macro factors many consumers have more focus on what they buy. They
have not stopped shopping but many people search deliberately for value when purchasing.

2.4.1 Retail/customer experience

The key to success in retailing is to understand the customer (Grewal et al., 2009). Verhoef, Lemon, Parasuraman, Roggeveen, Tsiron & Schlesinger (2009) define that customer experience is created with factors that the retailer can control and with factors outside his control. Factors outside retailers control are for example how the consumer perceives the retailer and its marketing mix element. This view depends on the consumer’s goals, such as social interaction and intellectual stimulation. The factors retailer can control is for example the service interface and the five factors (retail drivers) mentioned below. The seven domains in the CDP model influence retail/customer experience (Grewal et al., 2009).

2.4.2 Retail drivers (1): promotion

A key driver of retailer profitability is price promotion. If the retailer and manufacturer can identify win-win promotions in-store, they should be able to reach consumer with sales bump (Grewal et al., 2009).

Price promotion affects the category purchased in an indirect way. If the atmosphere is pleasant in stores consumers might stay longer and purchase more than planned. The store choice decision is not affected with price promotion but the category purchase decision is altered. If retailers offer discounts on many products frequently consumers are likely to connect favourable price image to the store. Retailers can therefore avoid head-to-head price competition with other stores and control their own promotions (Ailawadi & Keller, 2004). In this way they can build up a positive retail image.
2.4.3 Retail driver (2): price

Price is an important factor in the 4p (price, promotion, place and product) named the marketing mix, because it is the only factor that gives the retailer straight revenue for his business. It is believed that consumers use price as signal, referred to cognitive process, for product quality (Sigurdsson, Foxall & Saevarsson, 2010). Pricing a product remains one of the most challenging management task and least understood because setting the "right" price on product can be difficult. Customers perceive prices in a different ways like a high price for one may be perceived as low to another person (Kopalle, Biswas, Chintagunta, Fan, Pauwels, Ratchford & Sills, 2009). It is important that retailers follow a certain pricing policy within categories (Kahn, 1999). Many different price strategies exist that retailers can use as guidelines, the most successful ones are value-based, profit-driven and proactive. Exceptional profitability requires more than just price level. Retailers need to translate their differentiated benefits into customers’ perception for these benefits (Nagle, Hogan & Zale, 2011). Pricing involves therefore both internal and external information and the pricing process is for this reason both strategic and tactical (Tacke, Vidal & Ehrhardt, 2012).

2.4.4 Retail driver (3): merchandise

One of the most strategic decisions retailers have to face is organizing the quantity needed of the right merchandise in stores, at the right time, when consumers want it. The product assortment planning model, Fig. 2, helps retailers in their merchandise decisions. Retailers need to have appropriate assortment depth and the right balance of products in store because it has been investigated that consumers enjoy flexibility and therefore it is difficult to predict what they want (Grewal et al., 2009).

Retailers have to decide if their assortments should occasionally surprise the customer or just be stable all the time (Kahn, 1999). The variety decision making is the most important factor within merchandise, which category to carry and how many labels are needed in each category. These factors represent the market position and brand image of the retail store (Mantrala et al., 2009).
2.4.5 Retailers driver (4): supply chain

For a retailer to have a good relationship at the back end (supply chain) has proven to be an important source of advantage in the marketplace (Grewal et al., 2009). It rests with the retailer to have overview of how the products he purchases to his store are produced. Many customers are willing to pay more for products produced with an environmental awareness, and therefore corporate social responsibility (CSR) and sustainability is increasing at the back end.

It is easier for retailers to ensure CSR in a production from private-label merchandise than national brands. For a retailer to have a strong relationship with a supplier can benefit in positive attitude, information exchange and profit sharing. At the same time can a retailer refuse to sell products from suppliers if to much competition and conflict occurs on the marketplace (Grewal et al., 2009).

2.4.6 Retailer driver (5): location

Location is said in the Journal of Retailing to be a key to success. Consumers value their time and for retailers to be located in a place appropriate for the target group can be in their advantage. Other stores in retailers’ surroundings can be a competitive strength on the marketplace for the retailer (Grewal et al., 2009). It is said that location can be the key component for consumer’s total shopping costs but it can be based on different criteria. Some consumers prefer to have fixed travel costs to a location, purchasing all needed in the same place, for example a shopping mall. It can therefore be in the retailers’ advantage to be located in a mall around mass merchandisers (Ailawadi & Keller, 2004). Retailers offer different products and it is vital for them to be placed in an area close to the target group or located in similar surroundings as other retail stores aiming at the same target group.
2.5 The CDP-model and its impact on purchasing managers

Purchasing a product is the fourth stage in the CPD model. Many factors and decisions are involved in the stage of purchase. A focus will be put on each domain in the stage “purchase”. It will then be examined if the domains support the decision of purchasing premium private labels.

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<th>Domain</th>
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<td>Goals, schema and information processing</td>
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<td>•</td>
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</tr>
<tr>
<td>Memory</td>
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<td>Involvement</td>
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<tr>
<td>Attitudes</td>
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<tr>
<td>Affect</td>
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<tr>
<td>Atmospherics</td>
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<td>•</td>
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</tr>
<tr>
<td>Attributions and choices</td>
<td></td>
<td></td>
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</tbody>
</table>

*Figure 4. Consumer Decision Process, “purchase” stage and domains (Puccinelli et al., 2009).*

For clothing retailers to organize image of their stores involves deciding which brands to sell to consumers. To get more insight into the retail environment five domains in consumer behavior theory are looked at in connection with “purchase” in the CDP model, and how they affect the retail stores owners/purchase managers when choosing a brand to sell.

When building up a retail store, clothing brands play an important role along with the image that the retailer creates by purchasing products from suppliers. Consumers aim is to purchase clothes that creates their appearance and retailers aim is to recognize ways to keep profitable customers (Grewal et al., 2009).
2.5.1 Purchase Domain (1): goals, schema, and information processing.
The first domain that affects purchase is (1) goals, schema, and information processing.

In a cognitive psychology research it is mentioned that purchasing goals influence consumers behavior and his perception as his center of network of information is connected with products and retailers. Strong links can be created when information about brands is brought back from memory, links between the brand, its icon or color (Puccinelli et al., 2009). For a retailer it is important to choose a brand, with a good image that creates benefits and value for the store. Retailer’s aim is to satisfy the customers and to gain profit from it. Retailers need to recognize consumer’s needs in order to trigger their long-term memory schemes so they recommend the store or return back to it again.

Many consumers have a specific product in mind and want to purchase it to meet an immediate need (Grewal et al., 2009). That is why it is important that retailer’s products can satisfy consumer’s needs because experience has shown that consumers eliminate retailers that are irrelevant to their particular goals (Puccinelli et al., 2009). It is the retailer’s competitive advantage to create attraction to his store by offering PPL to customers and at the same time it can increase his profit margin.

2.5.2 Purchase Domain (2): attitudes
The second domain that affects purchase is (2) attitudes.

It is link to desired behavior but yet most researchers do not test the link. Recent research puts its focus rather on evaluation instead of predicting behavior. The evaluation stage affects retailers’ attitude in the way they evaluate products from labels they aim to purchase for their stores. Retailers need to consider changing market condition, like understanding new trends in each clothing-season and differentiation in customer’s lifestyle. If retailer’s mood is positive they are more likely to think broader and be open to new and innovative products (Puccinelli et al., 2009). Retailers need to have in mind when purchasing from suppliers that
customers’ buying habits do not always conform to their income level and consumers’ behavior is always changing.

The logic, regarding attitude, is that people are more willing to reward the retailer if their attitude is positive towards them. Retailers spend a lot of effort in trying to evoke this behavior towards their store, goods and service. A retailer’s voice can affect and influence consumers’ attitudes in-store and out-of-store, from a marketing communication perspective. Advertising can be very effective because it can influence consumers through feelings and persuasion (Puccinelli et al., 2009).

In order to accomplish a sale it can be in the retailer’s advantage to identify positive “individual differentiation” like being self-worth or showing off an authenticate success (Allsopp, 2005). Customers can perceive product with other factors in mind than price like the benefits they gain from purchasing, see quote:

“*I paid 700 pounds for this bag – I just had to have it and I feel great when I use it*”


The concept of “luxury” or “premium” can take on different form. Behavior towards the concept can be unstable and experimental, depending on peoples interests, moods and experiences (Allsopp, 2005).

Providing costumers wide variation of products in store is attractive. Many customers prefer to buy high quality clothes made of quality fabric both to show of their status or because it provides them with positive psychological benefits.

2.5.3 Purchase Domain (3): affect

The nature and structure of affect is driven by internal feeling state. Our feelings and mood can be influenced in different ways and that can motivate purchasing. Affect can also influence consumer behavior like risk taking and experimentation (Puccinelli et al., 2009). In the purchase stage feelings and informative functions may appear relevant (Pham, Cohen, Pracejus & Hughes, 2001).
Retailers tend to go to fashion fairs to purchase products for their stores for each clothing season. The fairs are open for 2-4 days. During retailers stay at a fair, he needs to explore all the brands available and choose which labels to purchase for next season. At the fashion fair, retailers are viewed as customers purchasing for their stores.

Consumers tend to compare products and evaluate which one would satisfy their needs at a given moment, depending on attributes, price and quality (Blackwell et al., 2001). An entire segment should be looked at rather than individual brands. Music is often played inside the house where the fashion fair is placed and it can influence emotions and mood.

Loud music may give a signal to leave the place but it can also emphasize an exciting environment (Puccinelli et al., 2009) that affects purchasing.

Taher, Leigh & French (1996) reviewed affection as a patronage loyalty, built on future expectation and unexpected experiences like delight. Value propositions of a PPL brand can build up a relationship that moves beyond its product and drive the purchase decisions. Benefits in the value propositions can be so affected that the brand can be preferred rather than another even though it is more expensive. It is vital for retail stores to attract customers and create buying behavior excitement.

Different customers from various social groups might enter the store with different taste in clothes and therefore it can be important to have balance in products and prices. If PPL is also offered to customers the retailer’s image might become higher in customer’s minds and he would be more likely to recommend the store because the prices affect the image.

Retailers should also put emphasis on adjusting their assortment either to meet changing consumers demand, such as offering environmental friendly products or to keep consumers interested. (Grewal et al., 2009).

2.5.4 Purchase Domain (4): atmospherics

Retailers should be aware of their environment, and they should do everything they can to enhance the retail store atmosphere for their customers (Puccinelli et al.,
A pleasing atmosphere can help build up a retailer's image. If store atmosphere is perceived positively it can interact with consumer perception to affect behavior (Grewel et al., 2009). It motivates customers to stay longer in the store, purchase and post-purchase by returning back. The atmosphere elements can have physical, ambient and social features like lighting, layout, music, smell, or employee availability and friendliness (Ailawadi & Keller, 2004).

Baker, Parsuraman, Grewal & Voss (2002) conclude that physical design, particularly is perceived and affects merchandise quality and price, and the quality of employee service.

Puccinelli et al. (2009) suggested that atmosphere in stores interior may have impact on retailer’s pricing strategy, like light and space design. Ailawadi & Keller (2004) suggest that customers perceive more quality in products if the atmosphere in the store is positive.

For a retailer to create a unique store image, he needs to purchase brands into the store that will bring him some differentiation on the market. Retailers have to be up to date with their surroundings when purchasing. Many new sustainable brands with CSR are being created and new innovations in design and textile are being introduced to the market. Increased awareness among retailers and customers has occurred in the past years of the pollution the clothing industry creates. Retailers’ awareness of macro factors like environmental issues can be a good way to track consumers into the store and a way to create a positive atmosphere. Providing customers with an environmental friendly product is a way to show that the store cares about the planet and the way consumers purchase.

Retail store environment or atmospherics, refers to intangible and tangible aspects like influencing subjective experience of the consumers (Puccinelli et al., 2009). The key to customer satisfaction in a retail environment may be the interaction between the customer and the employee (Goodwin, 1996). When consumers perceive that the employee is listening a trust may be developed (Stock & Hoyer, 2005) that in the end leads to purchase.

Many consumers have started to search for value, and therefore they buy more carefully and deliberately. PPL can be the highest priced products in a category and it
can take time to convince a customer to purchase them. These labels are highly profitable and offer customers superior quality. The purchase quantity is lower along with the revenue per unit time (Ailawadi & Keller, 2004), but they have various other benefits that associate with retailer atmosphere.

2.5.5 Purchase Domain (5): attributions and choices
The retail atmosphere can facilitate attribution: if consumer experiences attractive salespeople, his attribution is more positive towards the retailer. Consumers are often willing to come back to a store if they have been satisfied and choice confirmation can be an important part of post-purchase (Puccinelli et al., 2009).

“In the final stage of the consumer decision process, consumer attributions and choices become central to consumer behavior”

(Puccinelli et al., 2009, p. 25).

Choice-making behavior can appear to be desirable or expected. The choice process, when it comes to purchasing product, is likely to have little external search, few alternatives and to be very limited. It has been argued that measures of affect explains why the “first acceptable” or the “best” option thought of is often selected and that is the basis for choice (Olshavsky & Granbois, 1979). It is vital for retailers to know how their store is functioning before choosing a brand to sell.

Grewal et al. (2009) found out that the most strategic decision retailers make is to decide how many pieces and in which categories to carry (variety), because the image and stores positioning is affected by this decision (Grewal et al., 2009). Retailers have to be aware of their surroundings and consumers behavior towards the stores segments. Observe if new brands are entering the market and if they gain advantages by choosing and purchasing that brand instead of existing brands. Attribution affects retailers shopping intentions because retailers need to imagine how prices of products will affect consumer’s perception and evaluation of the store.
Recent research suggests that prices can influence how consumers recall the image of a store from memory. Greater price image is recalled when prices are higher (Ofir, Raghubir, Brosh, Monroe & Heiman, 2009). It is therefore vital for retailers to emphasize on what kind of image they want their store to have. Retailers need to make a choice when purchasing labels into their stores. Clothing brands and labels need to put effort in advertisements to gain awareness among their target group and potential retailers. It is vital for retailers to know when purchasing labels that consumers choices change over time and many rarely know what they really want until they find the right piece in a given moment that leads to purchase. Grewal, Levy & Kumar (2009) mention that it is vital to create excitement in retail environment to attract customers. Retailers could therefore provide consumers few segments with PPL because these labels provide extra benefits like pleasure, satisfaction and delight. It can be argued that premium private labels give the retail store, its image and positioning, more value.
3 Maternity and breastfeeding clothes

While the pregnancy period is 9 months, the length of the breastfeeding period can be different, depending on the mother.

Health organizations like UNICEF recommend exclusive breastfeeding for at least the first six months of an infant’s life, and that it should continue with food until the child reaches at least two years of age (Boyer, 2011).

Many women report on “feeling old” when they become pregnant. The clothes marketed to pregnant women are often marketed as temporary, only for the period of maturation. During the breastfeeding period the infant is completely in control of the mother’s breasts, when it is hungry she has to feed it. Removing of a bra is often looked at as sexualized act in public (Musial, 2003).

The clothes for breastfeeding that exist on the market are designed for this period and would probably not be worn when it is finished. On the other hand, elegantly designed and discreet PPL for breastfeeding could be worn after the breastfeeding stage is over as fashion wear.

3.1 Behavior

Clothes and appearance can have a big impact on how the woman feels during this period.

Pregnant bodies and bodily fluid from breasts can generate culturally and socially constructed anxieties. Symbolically pregnant bodies can “get in the way” of others by disrupting their comfort, similarly to the case of “overweight” people. The concept of “kill-joy” and “affect alien” helps explain why many women in this target group feel discomfort in public. The “kill-joy” effect is when you feel uncomfortable in the presence of other, even without talking. The affect alien is to sense that you are not making the right thing (Boyer, 2012). These concepts:

“can serve as ways to highlight the exclusion and violence on which certain forms of happiness and types of comfort depend”

(Boyer, 2012, p. 552).
If a woman is not feeling comfortable when breastfeeding in public, it can affect her infant and its nutrition in such a way that the woman completely stops breastfeeding. It is said that discomfort is one of the factors determining how infant feeding choice is shaped (Boyer, 2011).

3.2 Breastfeeding in Scandinavia

In Scandinavia the fertility rate per woman giving births is almost 2 children per woman, see Table 1.

<table>
<thead>
<tr>
<th>Country</th>
<th>Fertility Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denmark</td>
<td>1.75</td>
</tr>
<tr>
<td>Finland</td>
<td>1.83</td>
</tr>
<tr>
<td>Iceland</td>
<td>2.02</td>
</tr>
<tr>
<td>Norway</td>
<td>1.88</td>
</tr>
<tr>
<td>Sweden</td>
<td>1.9</td>
</tr>
</tbody>
</table>

The average woman in Scandinavia may be expected to spend around 3 years of her life being pregnant and breastfeeding.

The Nordic countries are known for providing long period of maternity leave and it has been investigated that the duration of exclusive breastfeeding tends to be higher/longer in Scandinavia than in other countries because of that (OECD, 2009).

Breast milk provides unique nutrition and immunological benefits; it reduces risk of ear infection, allergies and sudden death (Boyer, 2011), but the reason for different breastfeeding length per woman depends on the situation of a given individual and her willingness to breastfeed the infant.
3.3 Clothes

Many brands and labels exist on the market that design clothes specially made for a pregnant body and clothes giving easy access to breasts. Trousers and skirts are designed so they reach over pregnant bellies. Dresses, tops and sweaters are designed specially so the appearance over big abdomen looks good. Cuts in breastfeeding wear usually provide easy access for women to milk. Breastfeeding clothes are usually designed to make a woman feel comfortable when breastfeeding so she does not need to show her naked body by dragging fabric down or pulling it up (naked chest or abdomen). Dressed in such clothes, it looks as if the woman is holding the infant in her arms. Clothes can be designed and sewed with different fabrics, quality or conventional, organic or upcycled, and the difference in pieces is reflected in price.

Global warming and environmental issues affect the clothing industry. It is the second most polluted industry in the world, after oil and second largest of polluting clean water, after agriculture (UrbanTimes, 2013). It has been reported that toxic chemicals are not necessary for the clothing production and are not found in eco-labelled clothes (Greenpeace International, 2012). Increased awareness about this factor is among actors in the industry, many labels have started to produce maternity and breastfeeding clothes made of organic fabric.

Research carried out in 2005 in Iceland showed that high percentage (85%) of breastfeeding women (participating) found that clothes were still missing on the market designed specially for them. Many women (80%) were also willing to pay more for well designed clothes, not obviously meant for breastfeeding that could be used further on as fashion wear when the period would be finished (Baldursdóttir, 2005).

When purchasing PPL, self-expressive benefits can be gained. A premium private label named Matrem reflects its image to customers:

“We specialize in clothes for mothers who want to feel comfortable, stylish and elegant while nursing their newborns. It is the infant’s privilege to get milk whenever he or she feels like, in private or public”. The PPL encourages women to try out their design, and to be a proud modern mother (Matrem, n.d.).
3.4 Retail stores
Retail stores that aim on the pregnancy and breastfeeding market need to know their target group well. Tastes in clothes are different but the target group has it in common that their body is changing during this period. It is important for retailers to know that these women do not have the same view towards their own body and they behave in different ways. Environmental issues might affect them, such as preferably purchasing clothes produced with environmental awareness; moreover, quality might be their priority when searching for clothes or low price might be their main focus. During this period women can be sensitive about their appearance and retailers need to evoke positive shopping behavior. Retailers could focus on the emotion of pride with pregnant- and breastfeeding women. Their communication style and attitude can be very affective and by convincing women that they deserve to be elegant, feel comfortable and be proud with their role, as a mother can be vital. Specialized retail stores in this market need to know how to influence customer positive behavior and attitude towards maternity and breastfeeding clothes.
4 Presentation

Health organizations like UNICEF recommend that exclusive breastfeeding should occur the first six months of infants life (Boyer, 2011). In spite of these recommendations, many women feel uncomfortable breastfeeding in public.

The benefits that premium private labels or superior quality clothes can provide are making women feel elegant and important. In Scandinavia the retail market selling clothes for pregnant or breastfeeding women is very limited since it is considered a short period for the woman, and few specialized stores exist in each country. The Scandinavian countries tend to have longer duration of exclusive breastfeeding than other countries (OECD, 2009). Fig. 4 shows that the Nordic countries are clustered in one segment. The reason is because they have low psychic distance and similar culture, language, political system, level of education and low geographic distance (Hollensen, 2011).

![Figure 5. Transnational clustering of the Western European market (Hollensen, 2011).](image)

That is why only one segment, the Nordic countries, was chosen in this research to get a deeper understanding on the retail environment. For a woman entering a specialized retail store, aiming on purchasing quality design and not achieving her goals can affects the retailer’s image. PPL have benefits in their value propositions that can drive purchase decisions among customers, increase store traffic, improve
profitability and store loyalty (Kumar et al., 2006). The objective of this research is to investigate if there is a potential in offering PPL maternity and breastfeeding clothes on the retail market, and if customers will be receptive to premium private labels in this sort of product. Questions asked in the research are influenced by all the stages and the domains in order to answer the following research question:

- is there a potential for offering “premium private label” to the retail sector for maternity and breastfeeding clothing market in Scandinavia?
5 Quantitative Research

It is argued that the Consumer Decision Process (CDP) model, its stages and domains can be used in this research.

5.1 Questionnaire Design

The Consumer Decision Process model and five consumers behavior domains used in the “purchase” stage were connected when organizing the questions asked in the research, see Fig. 6.

<table>
<thead>
<tr>
<th>Domain used in the “purchase” stage</th>
<th>Need Recognition</th>
<th>Information Search</th>
<th>Evaluation</th>
<th>Purchase</th>
<th>Post-Purchase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goals, schema and information processing</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Attitudes</td>
<td></td>
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<tr>
<td>Affect</td>
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<tr>
<td>Atmospherics</td>
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<tr>
<td>Atributions and choices</td>
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</tbody>
</table>

Figure 6. Questionnaire. Design, domain and stages connected.

In this study quantitative research was used and a web-based questionnaire with close-ended questions was sent to specialized maternity and breastfeeding clothing retail stores in Scandinavia. The benefit in doing so is that it is time saving. Retailers could answer questions when it best suited them. The CDP-model was used to organize ten questions to retailers to better understanding how the market functions and to see how customers behavior is perceived from the answers. This is done to investigate if there is a potential in offering PPL maternity and breastfeeding clothes in the retail market.
<table>
<thead>
<tr>
<th>Domain used in the “purchase” stage</th>
<th>Yes</th>
<th>- I don’t know</th>
<th>- Maybe</th>
<th>- Does not matter</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Need Recognition / goals, schema and information processing / affect</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Can you see increasing sale in breastfeeding clothes than from past years?</td>
<td>66,7%</td>
<td>22,2%</td>
<td></td>
<td>11,1%</td>
<td></td>
</tr>
<tr>
<td>Do you prefer having breastfeeding clothes in your store that are made of organic fabric?</td>
<td>72,2%</td>
<td>22,2%</td>
<td></td>
<td>5,6%</td>
<td></td>
</tr>
<tr>
<td><strong>Information Search / attributions and choices</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Do you sell more breastfeeding clothes than pregnancy clothes?</td>
<td>38,9%</td>
<td></td>
<td></td>
<td>61,1%</td>
<td></td>
</tr>
<tr>
<td><strong>Evaluation / attitudes / affect</strong></td>
<td></td>
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<td></td>
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<tr>
<td>Do you like trying out new breastfeeding brands in your store?</td>
<td>77,8%</td>
<td></td>
<td></td>
<td>22,2%</td>
<td></td>
</tr>
<tr>
<td><strong>Evaluation / attributions and choices</strong></td>
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<td></td>
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</tr>
<tr>
<td>Do you think in future time that the market of breastfeeding clothes could be expanded in your store with new innovative design for breastfeeding mothers?</td>
<td>55,6%</td>
<td>33,3%</td>
<td></td>
<td>11,1%</td>
<td></td>
</tr>
<tr>
<td><strong>Purchase / attitudes</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>What is your average purchase price of one piece of breastfeeding wear from a brand?</td>
<td>27,8%</td>
<td>61,1%</td>
<td></td>
<td>11,1%</td>
<td>70 + EUR</td>
</tr>
<tr>
<td>What is your average selling price of one piece of breastfeeding wear in your store?</td>
<td>50%</td>
<td>38,9%</td>
<td></td>
<td>11,1%</td>
<td>210+ EUR.</td>
</tr>
<tr>
<td><strong>Purchase / atmospherics</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>How many average breastfeeding pieces of clothes (not bra) do you think you sell per season?</td>
<td>5,6%</td>
<td>44%</td>
<td></td>
<td>50%</td>
<td>150+ pieces</td>
</tr>
<tr>
<td><strong>Purchase / attributions and choices</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Do you find many new brands entering the market with breastfeeding clothes?</td>
<td>44,4%</td>
<td>16,7%</td>
<td></td>
<td>38,9%</td>
<td>1 don’t know</td>
</tr>
<tr>
<td><strong>Post-Purchase / atmospherics</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Do you find increasing awareness among milking mothers that breastfeeding clothes do exist on the market today?</td>
<td>66,7%</td>
<td>11,1%</td>
<td></td>
<td>22,2%</td>
<td>1 don’t know</td>
</tr>
</tbody>
</table>
The sample used in this research was retail stores with nice appearance on their webpage, selling pregnancy and breastfeeding clothes and likely to purchase premium private labels. The number of retail stores selling clothes in this segment is very low even though many brands and labels exist on the market. The questions to the retailers were direct, simple and well organized to gain valuable information. Survey was sent to 56 retailers in Scandinavia, 3 in Iceland, 11 in Denmark, 12 in Sweden, 11 in Norway and 19 in Finland. The retail email was found on their webpage. The survey link with questionnaire was sent to their email account in order to get fast responses.

Target population needs to be defined very well when making a sampling design (Malhotra, Birks & Wills, 2012).

Specialized maternity and breastfeeding clothing stores are a specific target population, aiming on helping the women to look better when the shape of their body has changed during this period in their life. These stores were contacted to get valuable information through their answers to the research questions. Since the target population is very specific for this research the judgement of the researcher was used and non-probability sampling technique chosen.

Convenience sampling is a part of non-probability sampling techniques. Judgemental sampling is a form of convenience sampling and that technique was found most suitable for this research. Judgemental sampling includes test market for potential product, business-to-business marketing when purchasing professionals selected items and selected boutiques or fashion stores. This technique is often used where target population is small and the value of it depends on the researcher’s judgement (Malhotra et al., 2012).

5.2 Questionnaire Explanation
Web-based questionnaires have geographical benefits, as they can be sent through free survey on the Internet, without additional cost. The disadvantage sending to an email address is the technical limitations of the email system as there is no
guarantee that the intended participant receives or sees the mail (Malhotra et al., 2012).

In this study the sample was reached through a questionnaire that was designed on a known survey named Free Online Surveys (www.freeonlinesurveys.com). The link on the questionnaire was sent in January 2013 to retailers in Scandinavia, using judgemental method. Responses came from 18 retailers, one in Iceland, two in Norway, four in Sweden, four in Finland and seven in Denmark. Participation in the survey was 32,14 %. The answers from the survey may give a good picture of the retail sector and if there is a potential in offering customers PPL maternity- and breastfeeding clothes. Each question is connected with one of the five domains in the “purchase” stage and with the other stages in the Consumer Decision Process model in order to answer the research question.

5.2.1 Need Recognition
The domain “goals, schema and information processing” and “affect” is connected with the need recognition in the CDP-model.

People often get involved in a product through advertisements that reach their attention. It is vital to know if retailers notice if awareness, schema and information of products have increased among customers in certain category. In order to investigate how the need recognition of the market is, the following question was asked: Can you see increasing sale in breastfeeding clothes than from past years? 66,7% said yes, 22,2% said no and 11,1% said I don´t know.

High percentage notice increased sale in this category. When having a problem consumer’s may be expected to purchase a product to solve it. Buying specially designed breastfeeding wear can satisfy the woman and make her feel more comfortable while breastfeeding.

Grewal et al. (2009) said that when consumers begin to recognize products they could become deeply involved and interested in learning more about it.
With increased awareness about environmental issues in the clothing industry new technology is being created, improving sustainability and providing fabric made of natural and renewable resources.

In the year 2012, a fabric test was taken from 20 global fashion brands, a report from it showed that most of the global brands sell clothes to customers (women, men and children) with hazardous cancer causing chemicals (Greenpeace International, 2012). The clothing industry can be affected at ends, to the back and to the front, the manufacturers and the customers. For a retailer to follow a supply chain from a private label is more assessable than from an international brand. In order to find out if retailers in this market are conscious when purchasing a question was asked: Do you prefer having breastfeeding clothes in your store that are made of organic fabric? 72.2% said yes, 22.2% said does not matter, 5.6% said no.

The result from this question indicates that there is a demand on the market for non-toxic labels for breastfeeding women. Fortunately, some customers are informed and only buy environmental friendly products. Tops, dresses and sweaters are close to the skin of the woman and the babies face when breastfeeding. It is positive that increase environmental awareness is among retailers because it can create positive atmosphere in their stores and it helps the development of the industry.

5.2.2 Information Search
The domain “attribution and choices” is connected with the information search in the CDP-model.

Today the media and its advertisements can be perceived for customers as “information overload” of products and service available on the market. Several studies document that people limit their search for a product when a personal or non-personal recommendation has occurred (Olshavsky & Granbois, 1979). Information is then brought back from memory and it requires little search to arrive straight to a store to purchase a product that has been recommended. A pregnant woman can get very involved in her circumstances. Knowing that her body shape will be changing dramatically for the next nine month can affect her much and she might
search for information about products for this period. It is interesting to know which period, pregnancy or breastfeeding, affect purchasing decision more. In order to find out which assortments is more favorable in customers search during this period a question was asked: Do you sell more breastfeeding clothes than pregnancy clothes? 61.1% said no and 38.9% said yes. This result shows that retailers target group chooses to purchase more pregnancy clothes than breastfeeding clothes.

Growing body shape might affect them more than problems with breastfeeding. Women might also be busy taking care of the infant and that affects the retailer’s sale. It is valuable for retailers to have overview of products sale in each segment because the variety decision-making is one of the most important factors within merchandise. They might want to expand certain categories and therefore it can be useful for retailers to keep their information search open for new labels. For a store to offer a brand that competitors do not provide can attract consumers. Many smaller labels do not participate in big fashion fairs due to many reasons and therefore it is important that retailers are alert about new brands entering the market and what might be in customers favour.

5.2.3 Evaluation
The domains “attitude”, “affect” and “attribution and choices” were connected with Evaluation in the CDP-model.

The most important relationship for a retailer firm is with his suppliers. If it were not for them no store would exist.

In the network theory, markets are described as systems of relationships. Network relationship can have restricted agreement that can affect the firm’s growth but the relationship can also offer contacts or help the firm develop and positioning on the market (Coviello & Munro, 1995).

In order to see how the atmosphere and development is on the maternity and breastfeeding clothing market it is vital to find out if there is a potential for new labels to enter the market. For a retailer to purchase a label from a supplier a minimum quantity of clothes often needs to be purchased for a minimum amount of
money. Supplier can be the designer, label, brand or manufacturer, depending on the size of the company but supplier is always someone that retailer needs to communicate with to place an order. It can take months until the goods are received in the store. In the meantime the retailer and the supplier build up relationship by communicating about transaction of payment and the amount of marketing material needed in the store from the label. Building up a good relationship at back end can for example benefit in positive attitude towards the design and an information exchange about the target groups behavior. The relationship affects both partners and can be an important source. This market is narrow and when new brands are entering, a new supplier usually provides the products. In order to explore retailers’ attitudes toward a new design a question was asked: *Do you like trying out new breastfeeding brands in your store?* 77.8% said yes and 22.2% said no. The responses indicate that retailers are interested in seeing how new design affect customers and that retailers are positive in establishing new relationships with suppliers. This result applies that there is a possibility for new maternity and breastfeeding brands to enter the Scandinavian retail market. Those retailers that said no, might have some barrier or restricted agreement with their suppliers, not being able to purchase product that might be substitutes into their stores. The reason could also be that purchasing a new brand might affect a current and good relationship with suppliers and the retailer might not want to risk that relationship in order to try out a new brand.

Retail store image and positioning on the market is created with the assortments offered to customers. In previous years, clothes for this period has been marketed as temporary (Musial, 2003) and there appearance has been obvious, like zipper under the breast or double layer of fabric over breast, easy to fold up for breastfeeding (Boob, n.d.). Retailers need to follow the hottest trends each clothing season to be profitable, specially concerning popular colours and cuts in design. New innovative design for this period can be a design with new interesting patented cuts, not obviously meant for breastfeeding that can be used as fashion wear further on when this period is over, like the brand Matrem designs (Matrem, n.d.). It can also be an innovation providing new interesting fabric, made of milk, like the brand Qmilk
Assortments affect the store image and to figure out in what direction retailers are aiming the following question was asked. *Do you think in future time that the market of breastfeeding clothes could be expanded in your store with new innovative design for breastfeeding mothers?* 55.6% said yes, 33.3% said maybe and 11.1% that said no. This result indicates that it might be a potential space for new innovative design to enter the market. It can be an advantage for retailer to offer interesting product when customers are in the schema, information processing. Customers often search for clothes that amplify their status, although being pregnant or breastfeeding. Retailers need to observe if they gain advantage purchasing a new brand into the store when expanding their assortments.

### 5.2.4 Purchase

The domain “attitude”, “atmospherics” and “attribution and choices” were connected with Purchase in the CDP-model.

> “*Purchases can occur out of necessity; they can be derived from culturally mandated lifestyles*”.

(Olshavsky & Granbois, 1979, p. 98)

The action of breastfeeding is supported by health organizations. The concepts “kill-joy” and “affect alien” highlight the anxieties that can be created by cultural- and social pressure. Expenditures of clothes can be compelled by these factors so the woman purchases in order to feel more comfortable breastfeeding in private or public. Prices of products can affect consumer’s perception and evaluation of the store. It is therefore vital for retailers to emphasize on what kind of image they want their store to have. Quality is often reflected in high prices, premium private labels have many advantages both for the customer and the retailer.

The value chain was introduced by Porter, the *competitive triangle* concludes that competitive advantage in a market can be created if firms offer products with higher perceived values (Hollensen, 2011). The chain also puts its focus on how input can
create greater value in its outputs. It breaks down in a strategic way the activities inside the firm to see the cost drivers and sources, so an appropriate change can be made that includes more value (Mindtools, n.d.). To get a clearer picture, if the retail environment with maternity and breastfeeding clothes offer customers superior quality design questions were asked about average buying price from a brand and selling price from retailer to customers. The answers should also indicate suppliers and retailers attitude towards their target group.

What is your average purchase price of one piece of breastfeeding wear from a brand? 27.8% said 1-20 EUR, 61.1% said 20-70 EUR and 11.1% said 70+ EUR.

What is your average selling price of one piece of breastfeeding wear in your store? 50% said 2-60 EUR. 38.9% said 60-210 EUR, and 11.1% said 210+ EUR.

These results indicate that the behavior and atmosphere of the actors (suppliers and retailers) associated with the market, take into account that this is a short period for a breastfeeding woman and therefore the emphasis is not put on premium private labels. It is interesting to notice that only 11,1% of the retailers engaged in premium, purchasing at price level over 70 EUR and selling again the pieces to customers at price level over 210 EUR. Ailawadi & Keller (2004) mention that PPL can be the highest priced products in a category but it can take time to convince a customer to purchase them. It is an interesting finding to see that very few retail stores in this market offer PPL to customers. The answers from the questions indicate also that the highest percentage of the retailers, 61,1% purchase clothes probably from both national and private labels, to offer their target group. Mantrala et al. (2009) note that strong private label can build up store loyalty and that national brands are well advertised globally and very recognizable to customers. The rest of the retailers participating in the survey or 27,8% purchased low quality products produced as fast fashion with mass production.

The most obvious retailers constraint is the space available in the store and therefore the possibility to fill the space with different product assortments. To understand the retail environment better and the demand on the market for breastfeeding clothes a following question was asked. How many average
breastfeeding pieces of clothes (not bra) do you think you sell per season? 50% said 150+ pieces, 44% said 50-150 pieces, 5,6% said 1-50 pieces.

Half of the stores in the questionnaire sold less than 150 pieces of clothes per season. This result shows that the market does include very small specialized retail stores or firms that are considered to be SME. The retailers firms most strategic decision factor is the budget available (Mantrala et al., 2009) to maintain business and to provide customers different products assortments.

In order to see if the market is developing providing customers more choices, the following question was asked: Do you find many new brands entering the market with breastfeeding clothes? 44,4% said yes, 38,9% said no and 16,7% said “I don’t know”. The results indicate that the market is slightly developing providing customers new variations of products since 44,4% said yes. The 16,7% that said “I don’t know” might need to follow more the development on the market, visit clothing fairs to meet with new potential suppliers or investigate if new brands are entering. The most popular fashion fairs offering pregnancy- and breastfeeding clothes are located in Denmark and France. Some retailers only keep relationships with old suppliers and do not follow the new innovation and creation happening on the market and that might affect their profitability, image and positioning.

5.2.5 Post-Purchase
The domain “atmospherics” is connected with the stage Post-Purchase in the CDP-model.

Post-purchase can appeal to satisfaction. Consumers might bring back from memory next time the buying process starts, expectation that once were fulfilled when purchasing. Recommendation about a purchase that has occurred can be very affected and easily spread out by word of mouth. Post-purchase is therefore linked with information and awareness in the way that it affects customer long-term memory.
Anders Dahlvig IKEA’s CEO notes, 

“Awareness of our brand is much bigger than the size of our company”

(Bloomberg Businessweek Magazine, 2013).

In order to find out how the atmosphere is on the market, retailers were asked: 

*Do you find increasing awareness among milking mothers that breastfeeding clothes do exist on the market today?* 66,7% said yes. 22,2% said no and 11,1% said they didn’t know. The results indicate that increased awareness is among women that choices of specialized breastfeeding wear are available on the market. Retailers’ aim is to recognize ways to keep profitable customers (Grewal et al., 2009), and the result from advertisements is one of the ways to create awareness of existence. If a customer recognizes that breastfeeding clothes exist in-store, it increases the likelihood that he will return to the store after the pregnancy period is over and post-purchase a breastfeeding wear. It is important for retailers to provide positive atmosphere and put effort into creating consumer satisfaction in order to gain loyal consumers.
6 Conclusion

The results from the answers indicate that the retailers have similar knowledge of this market and few retail stores engage in the premium market, offering customers PPL maternity and breastfeeding clothes. It can, however, be seen from the answers that there is a potential in this retail sector to offer customers more premium private labels. After examining the answers, the restrictions of the questionnaire will be discussed.

6.1 Answer to the research question

➢ is there a potential for offering “premium private label” to the retail sector for maternity and breastfeeding clothing market in Scandinavia?

Puccinelli et al. (2009) note that the domain “affect” in the “purchase” stage can influence consumer behavior like risk taking and experimentation. A pregnant or a breastfeeding woman might like to experiment if clothes that are specially designed for this period make her feel more comfortable when her body shape is changing. Blackwell et al. (2001) note that consumers find the need to purchase a product in order to solve a problem. High percentage of the retailers notice increased sale in the breastfeeding category from past years, and therefore customers might be receptive to premium private labels. Grewal et al. (2009) suggest that to meet changing consumer demand retailers need to adjust their assortments. The result from one of the questions showed that environmental issues affect retailers and there is a demand among them to purchase non-toxic labels for their customers. Providing an environmentally friendly product is a way to show that the store cares about the planet and the way consumers purchase. Mantrala et al. (2009) explain that retailers need to choose exclusive brands to sell, which in turn supports the store brand image. Grewal, Levy & Kumar (2009) note that suppliers and their retailers must be creative in order to get a share of consumers shrinking wallet in
today’s economical crisis. The answers from the questions indicate that there might be a potential space for new innovative design to enter the market, and that the market is slightly developing, providing customers with new brands with a breastfeeding design. Connecting answer from another question indicates that it might be a possibility for new brands to enter the Scandinavian retail market. Suppliers with premium private labels might use this as an opportunity to introduce the design better to retailers and explain to them the advantage and benefits they and their customers will gain by purchasing the label. According to Allsopp (2005), consumers’ personal interest in a product is a very important behavior factor when it comes to the willingness to pay a premium. There may be different reasons for the fact that only 11.1% of the Scandinavian stores in the questionnaire offered luxury design priced over 210+ EUR to their target group. It can be argued that this percentage is low, especially because premium private labels can be highly profitable and there are customers willing to spend a lot of money on premium clothes. Grewal et al. (2009) explain that retailers need to recognize ways to keep profitable customers. Kumar et al. (2006) note that one of the hottest trends in retailing is the emergence of premium private labels. The reason for the fact that 88.9% of retailers in this research do not engage in premium market might be that they suppose that women might not want to spend much money on clothes for such a short period. The reason might also be retailers’ lack of budget; according to Mantrala et al. (2009), budget is one of the most strategic decision factors in determining what kind of product assortment to offer. It can, however be seen from the questions that there is increased awareness among women that breastfeeding wear exist on the market even though there is more sale in pregnancy wear. Mantrala et al. (2009) explain that retailers must stock products in shelves to satisfy demand but shelf space requirements is affected by variability. Half of the stores in the questionnaire sold less than 150 pieces of clothes per clothing season and that amount indicates that the market includes very small specialized retail stores. Retailers aiming on special target groups have to consider what kind of assortment they want to offer in terms of quality, standard and price level, when creating market position and brand image. For retailers in this retail sector, to expand their assortment with innovative PPL can create positive and exciting atmosphere for customers, also because many women
are not bound by price and enjoy to splash out on luxury goods which are elegant and comfortable, not obviously wearing breastfeeding piece. Many customers are willing to pay more for environmental friendly products and it is valuable for them to find a PPL that suits their goals and is superior in quality. Customers can get very loyal to a premium private label so it moves beyond the products attributes’ and therefore increases the retailers’ sale because these labels are highly profitable. Premium private labels give the retail store, its image and positioning, more value.

It is possible to conclude that there is a potential for offering “premium private labels” to the maternity and breastfeeding clothing market in Scandinavia. This conclusion is based on the answers from the questionnaire. Retailers’ buying behavior indicates that they are positive in trying to meet with the needs of pregnant or breastfeeding buyers. Retailers prefer to purchase organic products, they like to try out new brands and they notice both increased sale and awareness in the breastfeeding clothing segment. Retailers could therefore provide consumers few segments with PPL because these labels also provide extra benefits like pleasure, satisfaction and delight.

6.2 Discussion about restrictions
This thesis focuses on understanding the retail environment selling clothes for pregnant and breastfeeding women in the Nordic countries. The restrictions and limitations on this research might be due to the fact that a judgemental sampling method was used and only 32.14% of the target population (retailers) engaged in the questionnaire. The number of specialized retail stores in this segment is low, but even though the survey may give a good picture of this retail sector, this might affect the results. The aim of this research was to investigate if there is a potential in offering PPL maternity and breastfeeding clothes in the retail market, and if customers are receptive to premium private labels in this sort of product.

Investigation has shown that purchasing premium in the UK is always about quality and status that differentiates us from others. The clothing market is one of
the markets where it cannot be assumed that an expansive branded version means better quality, or that it is worth paying more (Allsopp, 2005).

The weakness of this research is that retailers were not asked specific questions about their personal view towards premium private labels because according to Allsopp (2005) behavior towards premium can be different, depending on experience and interest. The reason is that the price of a PPL can be ten times higher than the price of the “standard” product, and that might affect retailers budget although it could at the same time create positive differentiation on the marketplace.
7 Proposal for future research

This research can be taken to the next step by asking retailers more specific questions about purchasing premium private labels. The questions could be connected with each domain in every stage in the CDP model. The research could then be repeated again in other clusters in Western Europe. It would be interesting to investigate more markets in order to see if there are cultural differences between retailers’ buying habits and their environment. To get an even deeper understanding on behavior towards premium, suppliers with premium private labels could be contacted and potential customers. A proposal for further research could also be an investigation of how many premium private labels exist designing clothes for this market, and an investigation of how pregnant or breastfeeding consumers perceive PPL for this period. To take the research even further, innovative companies producing new high quality fabric could be contacted, such as the company Qmilk, which creates fabric out of milk and is soft as silk. A deep interview could be taken with them if they would like to build up a supply chain with a brand designing breastfeeding clothes. Another survey could then be sent to retailers in order to see if they would be interested in purchasing PPL breastfeeding clothes made out of milk for milking mothers. In the end a survey could be sent out to breastfeeding women in order to investigate if they would be interested in milking their infant dressed in PPL clothes made out of milk that has a natural advantage and is environmentally friendly.
Bibliography


