The Relationship Between Retail Brand Knowledge and Loyalty in Taiwan—An Exploratory Study*

Ching-Wei Ho  
Feng Chia University, Taichung, Taiwan  
John Temperley  
Sheffield University Management School, Sheffield, UK

The research topic aims to review the relationship between retail brand knowledge and loyalty, as well as the relationship for both key components (i.e., brand awareness and brand image) in retail brand knowledge in Taiwan by applying Keller’s brand knowledge model. The research questions were: H1: retail brand awareness has a positive effect on retail brand image; H2: retail brand awareness has a positive effect on consumers’ retail brand loyalty; and H3: retail brand image has a positive effect on consumers’ retail brand loyalty. A questionnaire survey was conducted amongst hypermarket customers of the three major retail brands: Carrefour, RT Mart, and Costco, comprising 465 participants in Taiwan using the convenience sampling method. Interviews were randomly conducted in front of the stores themselves and of the total of 465 responses, 51 were discarded due to missing values leaving a total of 414 analysed. The sample comprised males 51% and females 49% with the majority of respondents under 35. The results of this study indicated that retail brand awareness and retail brand image both have a positive effect on consumer retail brand loyalty. That is to say, retail brand knowledge has a positive effect on consumer retail brand loyalty.

Keywords: brand awareness, brand image, brand knowledge, consumer loyalty, retail branding, Taiwan

Introduction

Currently a service economy and the service sector accounts for two thirds of GDP in developed economies (Lovelock, Vandermerwe, & Lewis, 1999). The concept of retail branding in service industry undoubtedly has been an important and popular issue and the relevant literatures and theories have been researched for decades, e.g., Davies (1992) indicated that retail brands exist in two forms: own brand and the process brand. The process brand, as a service, represents the experience that retailers provide. More and more researchers who are in the academic area or in retail service industry all realize and believe that the retailer as a brand is current major trend as well as a win-win strategy for both retailers and consumers, e.g., Aaker (1996a), Ailawadi and Keller (2004), Gordon (1994), McGoldrick (2002), and Randall (2000). Under this kind of developing situation, current research from the US indicated that consumers are considering purchasing a

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Dr Ching-Wei Ho, Ph.D., Assistant Professor, Department of Marketing, Feng Chia University.
John Temperley, Ph.D., Adjunct Lecturer, Department of Marketing, Sheffield University Management School.
Correspondence concerning this article should be addressed to Dr Ching-Wei Ho, Ph.D., 100 Wenwha Rd., Taichung 40724, Taiwan. E-mail: cweiho@fcu.edu.tw.
greater proportion of retail own brands. In 2008, 24% of foods and drinks were got from own brand products in American families, and 97% of American families bought own brand products (Su, 2009). In Taiwan, retail branding has been introduced for over one decade (since about 1998 and 2000) by international retail brands, e.g., Carrefour, COSTCO, and TESCO (Ho, 2008). Since then they started creating and promoting low-priced own brand products as the first stage for developing retail branding in Taiwan. According to Ho, Vignali, and Temperley’s research (2006), the first few years still stayed at the introduction stage, but in recent years, it is forecasted to have a growth trend (Carat Media Weekly, 2008). It has been believed that more and more Taiwanese consumers have started to know, accept and use retail own brand products. The key issue therefore is whether the more retail brand knowledge consumers acquire, the more retail brand loyalty they have. It is an interesting issue to observe and explore after a decade into retail brand development in Taiwan.

Therefore, this research paper is going to explore consumers’ retail brand knowledge by applying Keller’s (1993) brand knowledge model. The previous discussions about the relationship between brand knowledge and brand loyalty are mainly for the manufacturer brand or in general (Peng, 2006), less for the service industry and the field of retail branding specifically, e.g., de Chernatony and Segal-Horn (2001) pointed out that there are many models to help managers build up product based brands, but there is little on services brands. Thus, this research will investigate a proposed conceptual research framework for the relationship between retail brand knowledge and retail brand loyalty.

Background

Taiwan is one of the newly industrialized economies and its service industry is currently in a very strong competitive phase, especially for the retail section. Taiwan’s modern retail market is quite new, which started from the first 7-Eleven in 1979 and then the first international chain warehouse, Makro, from Dutch in 1987. Up to now, the development and density of hypermarkets in Taiwan (per 229 thousand people have one hypermarket) leads throughout Asia Pacific (ACNielsen, 2004; Retail News, 2004).

With regard to retail own brands in Taiwan, which were launched from 1979 by 7-Eleven, but late to 1995 they started to be used in hypermarkets by Carrefour Taiwan. At the beginning, own brands only had commodity products and did not get consumers’ attention. Till these years, because the entry of international retailers brings the new concept and products of own brands from Western, e.g., COSTCO and Tesco, retailer brands in Taiwan have much increased and affected consumers’ behavior. Carrefour, RT-Mart, and COSTCO are current main own brand developers in this market. According to Ho, Vignali, and Temperley’s research (2006), the first few years (till 2005) still stayed at the introduction stage and the strategies of own brand products were two: firstly, commodity products (e.g., toilet paper and water); secondly, fresh foods, such as meat, vegetable and fruits, and frozen foods (Wang, 2004). At that stage, all products which were higher price-sensitive and lower preference had potentiality to develop as own brands, and own brands did not have any brand value. Every retailer just operated own brands with low price strategy (Wang, 2005). Until 2009, both quantity and quality of own brand products had a big growth trend. For the quantity, Carrefour’s own brand products accounted 10% for total sales in 2007 and aimed to up to 17%-20%; RT-Mart’s own brand products also had 10% of annual sales; COSTCO’s “KIRKLAND” achieved 20% of annual sales (Carat Media Weekly, 2008). For the quality, both Carrefour and RT-Mart created the second own brand label to claim that
the products under this label are provided with the same good quality as national brand products (Card U News, 2009). Since then, brand value for own brand products was concerned as a key issue for both retail players and Taiwanese consumers. Meanwhile, in recent years, Taiwanese consumers have started to know, accept, and use retail own brand products. After observing Taiwanese consumers’ own brand shopping behavior, Peng (2011) concluded that nowadays when making a buying decision, more and more consumers have considered the knowledge and value about retail own brands not just the price issue. Furthermore, it could be found that own brand loyalty for Taiwanese consumers was developed during these years, e.g., there were 90% of Carrefour’s consumers realized to buy own brand products and have high repurchase rate, according to PR Manager of Carrefour Taiwan, Lin (Card U News, 2009).

AC Nielsen has advised that the more own brand information and knowledge are provided by retailers, the more intention to try are happened by Taiwanese consumers (ACNielsen, 2005). To sum up, according to this actual situation in the market, it is an interesting issue to observe and examine the relationship between retail brand knowledge and consumers’ retail brand loyalty, especially at the time that after a decade into retail brand development in Taiwan. The concept of brand knowledge in this research is applied from Keller (2003) who defined brand knowledge in terms of two components: brand awareness and brand image. Figure 1 illustrates the conceptual research framework for this study. It is going to examine the relationship among retail brand awareness, retail brand image, and consumers’ retail brand loyalty. The hypothesised relationships within the model are explored below after literature reviews.

![Figure 1. A conceptual research framework.](image-url)

**Retail Branding**

Developed economies have moved from a manufacturing to a services base, consequently, the traditional brand building model needs to be revised for services brands (Berry, 2000). Traditionally, branding research has its roots in the goods sector. Even though the services sector dominates developed economies (Lovelock, 2000), concentration from researchers has not matched services sector growth (de Chernatory, Drury, & Segal-Horn, 2003). Since then, therefore, some studies started to focus on the branding issue in service industry (e.g., de Chernatory, Cottam, & Segal-Horn, 2006; de Chernatory, Drury, & Segal-Horn, 2003; de Chernatory & Dall’Olmo Riley, 1999; de Chernatory & Segal-Horn, 2001; Vallaster & de Chernatory, 2005) and in
THE RELATIONSHIP BETWEEN RETAIL BRAND KNOWLEDGE AND LOYALTY

retailing (e.g., Helman & de Chernatony, 1999). According to de Chernatony’s works, services branding is “...more about internal consistency, places more emphasis on managing the total services brand experience and is more about social processes” (de Chernatony & Segal-Horn, 2001, p. 645). Besides, in many cases the terms “services brand” and “corporate brand” are interchangeable (de Chernatony, Cottam, & Segal-Horn, 2006) and also “corporate brand” is part of “retail brand” according to Burt and Sparks’ (2002) model (see Table 1). Therefore, it particularly focuses on retail branding in this study.

Table 1

<table>
<thead>
<tr>
<th>The Five Generations Model</th>
<th>1st Generation</th>
<th>2nd Generation</th>
<th>3rd Generation</th>
<th>4th Generation</th>
<th>5th Generation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Branding form</td>
<td>Generic; No name; Unbranded</td>
<td>Own label; Unsupported own brand</td>
<td>Supported own brand</td>
<td>Extended retailer brand, i.e., segmented retail brands</td>
<td>Corporate brand</td>
</tr>
<tr>
<td>Strategy</td>
<td>Generic</td>
<td>Low price copy</td>
<td>Me-too copy of major brands</td>
<td>Value-added</td>
<td>Corporate positioning</td>
</tr>
<tr>
<td>Quality/Image</td>
<td>Lower quality and inferior image</td>
<td>Medium quality but still perceived as lower than leading manufacture brands</td>
<td>Comparable with the brand leaders</td>
<td>Same or better than brand leaders; Innovative and different products from brand leaders</td>
<td>Quality and consistency through the organization</td>
</tr>
<tr>
<td>Consumers’ motivation to buy</td>
<td>Price is the main criterion for buying</td>
<td>Price is still important</td>
<td>Both price and quality, i.e., value for money</td>
<td>Better and unique products</td>
<td>Trust</td>
</tr>
</tbody>
</table>

Note. Source: Adapted from Burt and Sparks (2002).

The evolution of retail brands can be traced back to 1870s, according to de Chernatony and McDonald (1998, p. 31), multiple retailers emerged around that period and developed their own range of brands for which they controlled the production and packaging. The early versions of distributor brands (usually referred to as own labels or private labels) tended to be basic grocery items. “The late 1960s was when own brands started to be widely noted as a threat to manufacturers’ brands, especially in packaged grocery markets” (McGoldrick, 2002, p. 337). The development of retail brands in Europe is much more than in US and any other countries. Among previous theories and models of retail branding, McGoldrick (2002) identified a number of different “species” of retailer brands: retailer name brands, store sub-brands, generic brands, exclusive brands, and exclusive products. Burt and Sparks (2002) developed a 5-generations model (see Table 1) by expanding Laaksonen and Reynolds’ 4-generations theory (1994). Similarly, Wileman and Jary (1997) also suggested a 5-stages model: generics, cheap, re-engineered cheap, par quality, and leadership, which roughly matched the above 5-generations model. Under the same retailer’s name, own label brands have different layers comprising generics, core own brands and sub-brands and form a brand hierarchy in order to target and satisfy different consumer segments and hence differing consumer needs. Based on those models, Ho, Vignali, and Temperley (2006) created a hierarchy of retail branding, i.e., Generic, Value, Standard, Exclusive, and Retail store/company, which is not only to present the evolution of own brands but also to classify the typology of own brands.

Additionally, Davies (1992) also indicated that retail brands exist in two forms: the more obvious merchandise brands, commonly known as own-brand (tangible); and the less obvious process brand that represents the experience those retailers provide (intangible). Therefore, retail branding does not just mean
tangible retail own products, also includes the intangible in-store atmosphere that consumers feel. Both add value but necessitate different perceptions on the exchange process; the former being a traditional exchange of goods for money and the latter being an exchange of time for the experience of shopping (Helman & de Chernatory, 1999). Dawson characterized the retail brand as including three levels (Wang, 2004):

- Brand of company, e.g., Burt and Sparks (2002);
- Brand of stores, e.g., Porter and Claycomb (1997), Richardson (1997);

Which integrated previous related studies as a summary of the retail brand model. Dawson’s retail branding model includes everything the retail player has and offers covering each level (corporate-store-product), which strengthens the concept of retail brand as a complete retail branding framework. Ho, Vignali, and Temperley (2006) applied Dawson’s model to summarize as retail brand architecture with tangible/intangible brand elements (see Table 2).

<table>
<thead>
<tr>
<th>Retail Brand Architecture</th>
<th>Tangible elements</th>
<th>Intangible elements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand of retail company</td>
<td>Identity, corporate brand</td>
<td></td>
</tr>
<tr>
<td>Brand of retail store</td>
<td>Store format brand</td>
<td>The process brand, services, customer relationships</td>
</tr>
<tr>
<td>Brand of item</td>
<td>Own brands</td>
<td></td>
</tr>
</tbody>
</table>


Understanding the structure of retail branding includes at least two levels, i.e., retail store brand and retail own label brand, it is going to apply this concept into brand knowledge and consumer loyalty in this research.

Retail Brand Knowledge—Brand Awareness and Brand Image

As mentioned above, retail brands are developed over 10 years in Taiwan and Taiwanese consumer should realize more retail brand knowledge than before. It is the time when after a decade into retail brand development in Taiwan to examine what Taiwanese consumers know and feel about retail brands. Brand knowledge in this research is applied from Keller (2003) who defined brand knowledge as brand awareness and brand image.

Brand awareness is one of the main crucial issues for consumers when assessing products (Aaker, 1991). The importance of brand awareness has been discussed a great deal in previous literatures, e.g., Hoyer and Brown (1990), Rao and Monroe (1988), Shimp and Bearden (1982), and Simon (1970). From Keller’s model, brand awareness consists of brand recognition and brand recall performance by consumers. Brand recognition requires that consumers can correctly distinguish the brand as having been previously seen or heard (Keller, 2003). Brand recall requires that consumers correctly generate the brand from memory (Keller, 1993). However, it is not easy to find out the relevant issue of brand awareness for retail own label brands and the retail store brand from previous researches.

The issue of brand image has been seen as one of the key topic in the field of consumer behavior since the
The relationship between retail brand knowledge and loyalty

1950s (Dobni & Zinkhan, 1990). Keller (1993) defined brand image as perceptions about a brand as reflected by the brand associations held in consumer memory. He also believed that brand image includes types, favorability, strength, and uniqueness of brand association. Research has also demonstrated that brands with a better image are preferred than those with a less positive image (Kwon, 1990). Besides, Vahie and Paswan (2006) studied the private label brand image and explored its relationship with store image. One of the findings indicated that the store atmosphere and store quality positively influence the perception of private label brand’s quality. The results and knowledge gained from this research on department store may not easily applicable to grocery retailers for this research.

Even though previous studies have investigated the topic about brand awareness, brand image, and the relationships between each other, most of them still focused on the field of the brand in general (Peng, 2006) but less for the field of retail brand (Collins-Dodd & Lindley, 2003). Therefore the following hypothesis is proposed:

H1: Retail brand awareness has a positive effect on retail brand image.

Consumer loyalty for retail brands

Consumer loyalty means that consumer insists on buying the same brand the next time he/she needs to buy the product again without any reason or stimulation (Bloemer & Kasper, 1995; Hu, 2006). The importance of retail brands has contributed to change many consumers’ purchase and consumption behaviors particularly in the grocery industry (Binninger, 2008). Theoretically, retail brands’ role in building consumer loyalty is usually taken for granted because retail brands’ differentiation strategy toward competes their consumer attraction and loyalty-building capacity (Cortsjens & Lal, 2000; McMaster, 1987), but has not yet been completely identified. In reality, only some authors have directly dealt with retail own brands by concentrating on consumer loyalty (Ailawadi et al., 2001; Cortsjens & Lal, 2000; de Wulf et al., 2005; Steenkamp & Dekimpe, 1997). Leigh Sparks and other researchers also investigated store-switching behaviors (Cummins et al., 2008; Findlay & Sparks, 2008). According to the findings from their study, store location and lower prices were the most important reasons for keeping consumers, but nowadays consumers switched to other stores and maintain their loyalty by concerning fresh produce offer and product range (Findlay & Sparks, 2008). Products offer (including own brand products) seems to be considered as a crucial issue for retention rates. Undoubtedly, it is believed that consumer loyalty in the context of retailing is a complex issue. Therefore, this research is going to focus on the retail brand which is identified by Dawson’s concept, namely, including every retail thing as a whole retail brand, to examine the loyalty for retail brands. On the basis of the above discussion, the following hypotheses are proposed:

H2: Retail brand awareness has a positive effect on consumers’ retail brand loyalty.

H3: Retail brand image has a positive effect on consumers’ retail brand loyalty.

Research Method

Research Setting

To test the above hypotheses, an empirical study was conducted to examine the behaviours of Taiwanese customers of hypermarkets. Taiwan has four main nationwide hypermarket brands, i.e., Carrefour, RT-Mart, Costco, and Ai Mai, and the first three of them have focused on the development of their retail branding.
Therefore this study covered these three retail brands to give comprehensive coverage of all the key retail players in Taiwan.

**Sample and Data Collection**

A questionnaire survey with consumers was conducted in this research for examining these three hypotheses. The sample for the study was selected to be representative of the hypermarket consumers in terms of having shopping habits at hypermarkets. Convenience sampling was applied in this research as the sampling technique. Due to the limitation of the place and time cost, the questionnaire survey was distributed from those three hypermarkets in Taichung (the third biggest city in Taiwan). All participants were randomly conducted in front of those retail stores with face-to-face guidance of the questionnaire respondents. Of the total number of 465 responses, 51 were discarded due to missing values, which left 414 in the sample, which was in a valid response rate of 89.03%.

**Measures**

Retail brand awareness: Brand awareness is typically measured by recall or recognition (Rossiter & Percy, 1987). Meanwhile, Keller’s (1993) model, brand awareness consists of brand recognition and brand recall performance by consumers. Therefore, this study is going to apply retail brand recognition and retail brand recall as the research elements for measuring retail brand awareness.

Retail brand image: Aaker (1996a) proposed that the brand association involves image dimensions that are unique to a product or to a brand. The measurement of brand association can be structured around three aspects: the brand-as-product (value), the brand-as-person (brand personality), and the brand-as-organization (organizational associations). Aaker considered organizational associations as one of the key issue for exploring brand image, which is suitable for the meaning and the definition of retail branding in this study. Therefore, it took brand value, brand personality, and organizational associations as the means of measurement for retail brand image in this study.

Consumer retail brand loyalty: Many studies have been discussed how to measure consumer’s brand loyalty, e.g., Dick and Basu (1994), Jones and Sasser (1995), but it still depends on the research object to decide which measurement is suitable. Among those, Jones and Sasser (1995) used three major categories to conduct measures of loyalty, which is considered to be applied in this research as the measurement for consumer retail brand loyalty:

- Intent to repurchase, e.g., consumers’ future intentions to repurchase a given product or service;
- Primary behavior, e.g., actual repurchasing behavior—recency, frequency, amount, retention and longevity;
- Secondary behavior, e.g., consumer referrals, endorsements, and spreading the word.

Retail own brand (OB) awareness, retail own brand (OB) image, and consumer retail own brand (OB) loyalty were measured based on the items created from theoretical literature reviews mentioned above because it is not easy to find the similar items from previous research. Scales of all items in this questionnaire were designed to be measured on a 5 points Likert scale (1 = strongly disagree and 5 = strongly agree). The measurement items are presented in Table 3.

**Reliability and Validity Testing**

To assess the internal consistency of the constructs, a Cronbach’s Alpha reliability test was applied. As a general rule of thumb, Nunnally (1978) has recommended the Cronbach’s $\alpha$ with a 0.60 value as acceptable...
(see Table 3). Convergent and discriminant validity tests were performed to determine construct validity. Factor loadings and average percentage of variance extracted (AVE) were used to measure convergent validity. As noted by Hair et al. (2006), factor loadings with estimates at 0.50 or higher are considered significant. Almost all loadings on the constructs were higher than 0.50 (see Table 3). This study compared the inter-construct correlations with the square root of AVE of each construct to check for discriminant validity between constructs. If the square root of AVE estimates were higher than the correlations, it would indicate the discriminant between constructs (Strong, Dishaw, & Bandy, 2006). Table 4 presents the means, standard deviations, correlations between constructs, and the square root of AVE of each construct.

Table 3

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Item</th>
<th>Loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Awareness</td>
<td>Applied from Keller’s (1993). It is easily to recall this brand when thinking of hypermarkets.</td>
<td>0.677</td>
</tr>
<tr>
<td></td>
<td>It is easily to recognize own brand logos of this hypermarket.</td>
<td>0.694</td>
</tr>
<tr>
<td></td>
<td>It is easily to recall what products they have when seeing the retail own brand logo.</td>
<td>0.652</td>
</tr>
<tr>
<td>Image</td>
<td>Applied from Aaker (1996). The brand of this hypermarket’s store has brand value.</td>
<td>0.777</td>
</tr>
<tr>
<td></td>
<td>The brand of this hypermarket’s own brand has brand value.</td>
<td>0.744</td>
</tr>
<tr>
<td></td>
<td>The hypermarket retail brand has brand personality.</td>
<td>0.467</td>
</tr>
<tr>
<td></td>
<td>There is a brand association between retail own brand and store brand for this hypermarket.</td>
<td>0.669</td>
</tr>
<tr>
<td>Loyalty</td>
<td>Applied from Jones and Sasser Jr. (1995). I have intention to repurchase this hypermarket’s retail own brands.</td>
<td>0.917</td>
</tr>
<tr>
<td></td>
<td>I’m actual repurchasing this hypermarket’s retail own brands.</td>
<td>0.955</td>
</tr>
<tr>
<td></td>
<td>I would recommend people to buy this hypermarket’s retail own brands.</td>
<td>0.848</td>
</tr>
</tbody>
</table>

Table 4

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Mean</th>
<th>S.D.</th>
<th>Awareness</th>
<th>Image</th>
<th>Loyalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Awareness</td>
<td>3.835</td>
<td>0.777</td>
<td>0.455</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Image</td>
<td>3.736</td>
<td>0.643</td>
<td>0.384</td>
<td>0.456</td>
<td></td>
</tr>
<tr>
<td>Loyalty</td>
<td>3.422</td>
<td>0.899</td>
<td>0.229</td>
<td>0.320</td>
<td>0.824</td>
</tr>
</tbody>
</table>

Notes. All correlations are significant at 0.01 level; N = 529 and square root of AVE is reported in parentheses in the diagonal.

Findings

Sample Characteristics

Among these samples in this research, males are 51% and females are 49% and the majority of the respondents are under 35-year-old. Carrefour is the most frequency to shop (58%), and then COSTCO (17.9%) and RT-Mart (16.2%).

Testing the Hypothesized Model

The structural model was calculated by using Amos 16.0 software. The final overall model fit was adequate (chi-square = 3.98, df = 32; p = 0.00; GFI = 0.926; AGFI = 0.874; PGFI = 0.539; NFI = 0.928; CFI = 0.945; RMSEA = 0.095; RMR = 0.065), showing that the model fits the data well enough. Table 5 illustrates the hypothesized relationships. According to standardized estimates, both awareness and image had a positive influence on loyalty. Of them, image had a stronger effect on loyalty (β = 0.52) than awareness (β = 0.11). In addition, awareness also had a significant impact on image (β = 0.81). Figure 2 shows the results of this
empirical study.

Table 5

<table>
<thead>
<tr>
<th>Hypothesized relationship</th>
<th>Standardized estimates</th>
<th>T-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1: awareness→image</td>
<td>0.813</td>
<td>8.483***</td>
</tr>
<tr>
<td>H2: awareness→loyalty</td>
<td>0.114</td>
<td>0.843</td>
</tr>
<tr>
<td>H3: image→loyalty</td>
<td>0.524</td>
<td>3.803***</td>
</tr>
</tbody>
</table>

Note. *** P < 0.001.

Discussions and Implications

This study assessed the relationship between retail brand knowledge and loyalty, as well as the relationship for both key components (i.e., brand awareness and brand image) in brand knowledge.

Retail brand awareness (0.11) and retail brand image (0.52) both have a positive effect on consumer retail brand loyalty. This approves previous studies about brand awareness with loyalty (Hoyer & Brown, 1990) and brand image with loyalty (Grewal et al., 1998). That is to say, retail brand knowledge has a positive effect on consumer retail brand loyalty. Similar to the findings of AC Nielsen’s report (2005), the more retail brand knowledge is provided by retailers, the more intention to buy are happened by Taiwanese consumers. However, both positive effects are not very strong. A likely reason behind the finding is that after a decade into retail brand development, the Taiwanese consumers may recognize and recall retail brands (i.e., awareness) and realise retail brand image but have not been familiar with them very well. This outcome could provide and
suggest retail managers to improve the construction and communication of their retail brand knowledge to consumers.

Furthermore, for the two dimensions of retail brand knowledge, retail brand awareness has a positive effect on retail brand image (0.81). It demonstrates that in Taiwan, there is a positive relationship between retail brand awareness and image. This supports that the branding issue in retailing has the similar result to the brand in general. Therefore, the retail brand knowledge (including both retail brand awareness and retail brand image) must be conceived of as a “whole package”, which requires co-ordination and consistency.

To sum up, the findings of this research should serve as a guide to retail managers in developing retail brand and help managers make more suitable decisions when doing retail brand knowledge’s construction and communication.

In additions, the research results could also be valuable to contribute academic area for Taiwanese retail industry. Integrating retail brand’s developing trend and situation analysis by reviewing the previous studies from different sources would provide a whole clear picture for Taiwanese retail branding. This study also applies the brand model (i.e., brand knowledge) to propose a conceptual model for examining retail branding issues.

**Limitations and Future Research**

This study has certain acknowledged limitations. First, because the study was conducted in Taiwan, which is a developing situation for retail brand development, the findings might not apply in other countries where have developed maturely, such as the UK or the Western Europe. Future research could address these differences. Second, because the majority of the respondents are under 40-year-old for participation in the study, the sample might have been biased towards “youth-oriented” customers with a modern view of retail branding value. However, there was evidence from previous research to support that the main consumers for hypermarkets in Taiwan were under 40 years old (Chen, 2004).

To enhance the generalisability of the findings, more research needs to be undertaken. Replicating the study in different countries with the similar developing situation would test the applicability of this research approach in different countries. Research on the other retail and service sectors in the service industry (such as, banking, convenience store, and pharmacy) are also required.

Retail branding is much more complicated than in manufacturing or brand in general. This research would provide a different insight into analyzing retail branding, which is not easy to be found in the previous researches and expect to be a benchmark for both retail brand players and academic researchers for further research in this field.

**References**


