THE CHANGES ON THE SPANISH CONSUMER BEHAVIOUR AFTER THE FINANCIAL CRISIS 2007

Applied towards a switch to store branded products

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Halmstad University Reproservice, Halmstad, 2011
ACKNOWLEDGEMENTS

We would like to be grateful to all the people who have contributed to this study, particularly to those who have spent their time on participating in our research through answering our questionnaire, as their aid was essential for conducting our thesis.

We would also want to express our gratitude towards Halmstad University (Sweden) not only for allowing us to write a Bachelor thesis, but also for all the services offered such as the resources available for the development of the work.

We want to deeply thank our supervisor Venilton Reinert for the effort made when trying to advise us to better conducting our work. His availability to respond all our questions has been really appreciated, as well as his constructive advices.

Last but not least we would like to thank our colleagues too, above all our opponent group composed by Elena Sarboni and Chloé Aubineau whose valuable advice has enabled us to correct some errors and therefore, improve our paper.

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ABSTRACT

**Title:** The changes on the Spanish consumer behaviour after the financial crisis 2007. *Applied towards a switch to store branded products.*

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**Level:** Bachelor in Business Administration, Marketing

**Key words:** Consumers’ behaviour, financial crisis, leader brands, store brands, Spain, Spanish retailers...

**Purpose:** The main research objective is to find out if there has been a change in Spanish consumer buying behaviour as a consequence of the current economic downturn.

**Method:** The selected research method is an explorative research followed by descriptive one. Secondary data has been collected from books at Halmstad University’s Library and academic journals and other articles founded in the University’s Databases. Primary data has been obtained through a survey among middle class Spanish households. The selected research instrument is a questionnaire.

**Theoretical framework:** We firstly define the consumer behaviour. Then, there is an explanation of the economic crisis focusing on the Spanish case. Finally, stores brands are defined.

**Conclusion:** A summary of the findings obtained from our study are posted. Middle class Spanish households have reduced their consumption, becoming more rational and, consequently, switching to store brands. The limitations of the study as well as some suggestions for further researches are added in this section.
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1. INTRODUCTION

1.1. Background

Until the crisis explosion, the growing system was based on financing as more as possible, allowing people to consume without restrictions. Thus, world GDPs grew satisfactory, selling huge volumes to those consumers, preferring consumption to savings, who did not have barriers to buy whatever they desired because of the access to easy money and so their expectations became higher (Lee B., 2008). Matching consumer needs became harder as they looked for the highest possible quality at the lowest possible price; there were not limits for imagination, expectations and wishes of these increasingly demanding consumers (Fawcett & Roath, 2000).

Since 2007, the year of the collapse of Lehman Brother due to the subprime mortgages, an important financial crisis began in U.S.; it has become globally in 2008 upon the economies around the world showing the drawbacks in capitalism system and the erroneous growing structure (Mansoor & Jalal, 2011); For instance, the “Financial Modernization Act” (1999), deregulated the constraints on international movements of capital that were not as controlled as they needed to be since the instauration of this law and after would deepen crisis effects (O’Connell, 2010). Since the beginning of the crisis, all stock exchanges had drastically felt, public debt interests began to increase due to the uncertainty of the governments’ solvency; several countries bankrupted as Island, Ireland, Portugal and Greece (last one being rescued twice by UE) (Lee C. P., 2009)

Thus, European sovereign debt crisis arrived as well initiating 2010, facing their own strand of fiscal distress because of the heavy loan practices, bubbles and living above their means. The easier accessibility to credit led to an overreliance on external credit sources to fund domestic debt. What is
more, Europe and the foreign countries were more commercial and financial dependents than before, what made the crisis more dangerous with a high economic volatility. For example, the low interest rates in the US some years before the crisis, clearly influenced the financial policies of other countries all around the world, that had to handle their interest rates if they wanted to remain being competitive; this will cause a generalisation of the boom housing prices from the US to other European countries such as Britain, Ireland and Spain (O'Connell, 2010). These financial influences and connections will play a crucial role in the internationalisation of the crisis: country by country all around the world were affected not only directly, but also indirectly by this crisis. (MAD Investment Solutions, 2011)

Spain is one of the countries the most affected by this crisis, having this economic down-turn evidenced the vulnerability of the Spanish growth model during the 2000s (Vincent 2010) based on a cheap credit-fuelled property boom (Bowman, 2011) and where this effect was double. The financial problems affected directly on the construction industry. In Spain, the main root of the economy’s growth was the construction and when the banks solvencies were in doubt, they downsized the mortgages’ granting; that was known by “construction bubble” (Finance and economics: The pain in Spain; Spanish property, 2007).

The problems have become harder such as people being evicted from their houses for not paying their rents. People are continually being dismissed from their work; according to Instituto Nacional de Estadística (2012) of Spain, in the fourth quarter 22,85% of people that represents 5,273,600 persons, want to work and do not find a job; being now the most important cause for concern, 84,1% of inhabitants. The second cause for worry are the economic problems according to 45,7% of polled people, in a survey made by CIS cited in (Ethic, 2012)

On the other hand, there is a constant growth of large supermarkets that offer larger product lines at lower prices and a decreasing number of small neighbourhood shops. Thus, the consumer behaviour has changed and their minds have been collapsed having many varieties of available brands.
However, the stores began to launch their own private brands making them available at lower prices because of the lower advertising needs and fewer intermediaries among other causes. According to Schutte (1969), store brands can be described as those products that are owned and branded by firms whose primary economic function is distribution rather than production. In this type of products, the store name, instead of the manufacturer name, appears on the packaging as it is remarked by the Private Label Manufacturers Association. As during crisis eras are expected, this kind of brand becomes more important.

Due to this current situation, consumer buying behaviour is changing. It can be described as the set of processes performed by individuals, groups or organizations with the aim of acquiring product, services, experiences or ideas so as to satisfy their needs (Perner, 2008). To satisfy these needs consumers follow several stages as need recognition, information search, evaluation of alternatives, purchase decision and post purchase behaviour (Comegys & Hannula, 2006).

1.2. Research Questions

In order to carry it out we are going to focus on this research question:

R.Q.1: Has the consumer buying behaviour experienced some changes as a consequence of the current financial crisis?

1.3. Problem

Many studies concerning the consumer buying behaviour and its evolution have been developed. However, recently many changes in the environment have been occurred, producing several alterations in consumer buying patterns.
Taking into account that we are Spanish students and in order to do an efficient research we decided to focus on the Spanish market. In addition, the financial world crisis, which is an important problem globally, has affected even more to this country due to construction bubble. That is why the alterations of the consumer buying behaviour caused by the crisis effects can be more clearly identified upon Spanish consumers.

It is generally known the Consumer Buying Behaviour is constantly evolving. Moreover, these changes, which we think are quite important, have occurred in the last years making other researches not as suitable as they were before the crisis outbreak. Specific studies concerning the crisis and its effects must be developed for better understanding current individual behaviour.

1.4. Purpose

Our main research objective is to find out if there has been a change in Spanish consumer buying behaviour as a consequence of the current economic downturn.

1.5. Delimitations

The research is going to be made covering different aspects from consumers’ point of view. The impacts of the crisis are not going to be studied in terms of how they have affected firms’ structures and strategies, for example, trying to cut costs as much as possible so as to decrease prices to be more competitive to reach higher market share. What will be important for our work purpose is the consumer buying behaviour in these times affected by the financial crisis questioning aspects such as when they are buying and what they buy, if they are more rational and shift from one leader brand to others that offer lower priced products when there is an economic downturn, as they realize that their purchasing
power is decreasing during these times. Financial crisis affects the consumer buying behaviour economically and psychologically. They become more money minded switching to cheaper brands which satisfies their needs. Thus, they compare the different products by price and quality (Nistorescu & Puiu, 2009).

Our study is focused on the Spanish consumer. The consumers have a peculiarity due to our deep just only on one member per house. This make the research more restricted but more effective.
2. THEORETICAL FRAMEWORK

In this chapter we explained the theoretical framework of the thesis which established the principal roots for our thesis. To begin, we introduced the consumer behaviour theory and different models which involved several phases of the process and consumers. Then, we continued with the financial crisis explanation, focusing on Spain, and characteristics of the affected consumers. To finish we introduced one of the factors that will help us to understand consumer changes, the development of store brands.

2.1. Consumer Buying Behaviour

2.1.1. Definition of Consumer Buying Behaviour

First of all we must define what Consumer Buying Behaviour is. Many definitions can be abstracted from several authors: “Consumer behaviour refers to the buyer behaviour of final consumers-individuals and households who buy goods and services for personal consumption” (Kotler & Armstrong, 2010, p. 133) or it involves all the activities necessary to acquire products, services, experiences or ideas that individuals, groups or organizations perform to satisfy their needs (Perner, 2008) and “It is the study of the processes involved when individuals or groups select, purchase, use or dispose of products, services, ideas or experiences to satisfy needs and desires” (Solomon, 2009, p. 6).

As Mansoor & Jalal (2011) explained, usually the buying behaviour takes many forms of consumer’s choices that can vary depending on a broad set of factors such as: earnings, demographics, social and cultural factors. Belk (1975) made a classification of these factors in two groups: situational factors and non-situational factors. Physical surroundings, temporal perspective or social factors are
examples of the situational ones, whereas personality, race, gender, brand image, product’s size or quality are classified as non-situational factors. These basic internal factors and other external circumstances in the environment influence the buying behaviour of an individual. For example, language has been the object of numerous cross-cultural researches regarding the consumer in bilingual countries (Sojka & Tansuhaj, 1995). Due to the importance of these factors, other authors has tried to classify them by importance; according to Slocum & Mathews (1970) social class was often considered more important than income in affecting buying behaviour.

### 2.1.2. Consumer Buying Decision Process

Instead of being a simple and predictable set of activities, the buying behaviour process consist of a complex set of activities covering different points which begin before the purchase and continue after it (Hansen, Percy, & Hansen, 2004). It may seem that this process starts when a consumer begins to deliberate between the different purchases alternatives and finishes with the actual purchase. Nevertheless, this process is longer as it starts long before the actual purchase and continues after it (Comegys & Hannula, 2006).

In order to cover all the activities concerning this process, the most used model is the “five-stage model”, which divides the buying-decision process into 5 different stages: need recognition, information search, evaluation of alternatives, purchase decision and post purchase behaviour as we can observe in the Figure 2-1 (Comegys & Hannula, 2006).

- **Need or Problem recognition**: “problem recognition occurs whenever the consumer sees a significant difference between his or her current state of affairs and some desired or ideal state” (Solomon, 2009, p. 320). Both internal and external stimuli affect the need felt by individuals. As these same authors affirm, the need recognition process is
often affected by marketing efforts. Other factors influencing it are demographics such as age, income, sex, education and psychological factors, being the more important the motivation (Comegys & Hannula, 2006).

- **Information search:** information concerning available products is gathered with the aim of being able to evaluate alternatives in the most efficient way (Comegys & Hannula, 2006). There are two possible information searching situations: “pre-purchase search” is applied when, after recognizing a need, a consumer search on the marketplace for specific information. The other one, known as “on-going search”, responds to the situation when veterans’ shoppers in the aim of stay up-to-date on the marketplace, search for specific information (Solomon, 2009). According to Kotler & Armstrong, (2010), there are four possible sources: personal, commercial, public and experimental. The degree of information search depends on the previous knowledge that the consumer has, and the perceived risk of the purchase. If there exits previous excellent knowledge about the product, the amount of information research is expected to be reduced. (Comegys & Hannula, 2006).

- **Evaluation of alternatives:** there is not common method for evaluating the different alternatives. As Kotler & Armstrong (2010, pp. 179) affirm, “How consumers go about evaluating purchase alternatives depends on the individual consumer and the specific buying situation”.

- **Purchase decision:** all the possible alternatives have been ranked. It may seem that the
first option, in other words, that alternative which is the most appreciated by the consumer, is going to be chosen. However, there are two factors that can change consumers’ mind: the attitude of the others and some unexpected situational factors. (Comegys & Hannula, 2006).

- **Post-purchase behaviour**: firms have to take care about consumers even after the purchase decision has been taken, in order to achieve consumers’ loyalty. Whereas it is commonly thought that consumer satisfaction brings consumer loyalty, as some studies have demonstrated (Comegys & Hannula, 2006), other authors such as Oliver (1999), are not clearly supporting this relation, since satisfaction is not necessarily the source of loyalty according to them.

There are some limitations when applying this model. As Comegys & Hannula (2006) defend, impulse purchasing, which is explained in the following section, does not follow this five-stage process, instead consumers are driven only by these emotions, not taking care about the rest previously explained in the model. Impulse buying is more common among food products for example, while other types of products such as those associated with high value, require more time in searching and processing all the information available (Zhuang, A.S., Zhou, Li, & Nicholls, 2006).

### 2.1.3. Types of Buying Decision Behaviour

Four types of buying decision behaviour are identified by several authors. Arnould, Price, & Zinkham (2002), distinguish them depending on the frequency of occurrence, emotional involvement, decision making complexity and risk. These are called: programmed behaviour; limited decision making buying behaviour; extensive decision-making buying behaviour and impulsive buying.
1. **Programmed buying behaviour** characterized by low complexity and low information search. It is the current behaviour for low cost products bought habitually such as coffee, newspapers, bus tickets, bread, etc. (Learn marketing, 2010).

2. **Limited decision-making buying behaviour** characterized by a reasonable level of decision making and low information search according to (East, 1997) cited by (Shergill & Chen, 2005).

3. **Extensive decision-making buying behaviour** which takes more time searching for information and so extending the decision-purchase period. It is common for more expensive products which involves higher psychological risk and large share of consumer’s income (Peter & Olson, 2007).

4. **Impulsive buying behaviour** is the type of behaviour that individuals do unconsciously because of an external stimulus which creates a high value perception of a product and extremely needed for the consumer (Wells & Prensky, 1996). It is an unplanned, unregulated or spontaneous behaviour (Baumeister, 2002). Unplanned purchases are more likely to happen when the customer is unfamiliar with the situation and time. As more time the consumer spends looking in the store as more probability for doing an impulse purchase (Shoham & Maja, 2003). Individuals act impulsively no matter the cost or size of the product and so some consumers will buy impulsively even with a bad financial situation (Baumeister, 2002).

According to Doyle & Stern (2006), two behaviours more must be added to complete the model (Table 2-1):

5. **Sensual Decisions** when the buying decisions are based on the desire for pleasure. It is common

<table>
<thead>
<tr>
<th>Involvement\Rationality</th>
<th>High (Thinking)</th>
<th>Low (feeling)</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>Extensive decision-making</td>
<td>Image decisions</td>
</tr>
<tr>
<td>Medium</td>
<td>Limited decision-making</td>
<td>Sensual</td>
</tr>
<tr>
<td>Low</td>
<td>Programmed</td>
<td>Impulse</td>
</tr>
</tbody>
</table>

Table 2-1: Six types of buying behaviour (Doyle & Stern, 2006, p. 257)
when the buyer doesn’t think about the product; he only buys it because the pleasure he perceives.

6. **Image decisions** happen when the buyer identifies the product as the way to reflect his status or personality. It needs a high involvement and low rationality.

Anyway, the fundamental driving force which leads these behaviours is the consumer’s emotion. It is, at the same time, influenced by internal and external factors (Chaudhuri, 2006). It is regarded as the determinant root of planned and unplanned buying behaviour (Havlena & Holbrook, 1986). We can add that the unplanned buying behaviour answers more to this affirmation since impulsive buying is motivated by feelings and shows a low degree of involvement (Laros & Steenkamp, 2005).

Planned purchases are described as those decisions concerning buying or not buying a product, that are entirely defined before entering the store. Since this type of decisions are well-defined, in-store promotions do not affect consumers’ feelings or minds. Contrary, unplanned purchases respond to those decisions that are made inside the store (Bucklin & Lattin, 1991). A large proportion of all the purchasing decisions refer to unplanned purchases (Bell, Corsten, & Knox, 2008).

Planned and unplanned decisions have a huge relation with the time spent in a store when purchasing. There is a direct correlation, as we can see that the number of unplanned purchases is expected to decrease when the buying process is done in a fast and efficient way (Bell, Corsten, & Knox, 2008). Trips in the store can be classified into major and fill-in trips depending on the time spent in the store. The second ones are those in which the consumer spends short time when purchasing products in the store, making it necessary to go shopping regularly (Kahn & Schmittlein, 1992). Taking into consideration this classification, the previous idea is also supported by some researches such as that
carried out by Kollat & Willett (1967), which shows that it is in major shopping trips when the number of unplanned purchasing is higher.

2.1.4. Abraham Maslow: The Hierarchy of Needs

Since the buying behaviour depends on the needs the individuals feel, it is important to take into account the Maslow theory which contains the different needs the humans reaches and try to develop stage by stage depending on their chances.

Abraham Maslow began studying animal and human behaviour, to focus on feelings, to finally explore their opposites: the motivation and satisfaction.

According to Maslow, human needs can be organized into a hierarchy into five levels that can be represented by a pyramid: Beginning at the bottom with only physiological needs which are the most basic ones and finishing at the top with the self-actualization needs of a person when all the other levels have already been achieved.

Starting from the base of the pyramid, needs overlap (Figure 2-2):

- Physiological needs (Food, water, sleep, breathing, ...)
- Safety needs (security of body, employment, health, resources…)
- Social needs (family, friendship...)
- Esteem needs (Self-esteem, respect of others…)
- Self-actualization (spontaneity, creativity, problem solving…)

Figure 2-2: Maslow’s hierarchy of needs (Doyle & Stern, 2006, p. 255)
As long as a need is not satisfied, it is a source of motivation. From the moment this need is satisfied, it is the need of higher level which will appear as a new source of motivation. (Rivaleau, 2003)

So if physiological needs like hunger and thirst are not fulfilled, we are ready to put our safety at risk, to find food and drink.

Applied to the workplace, if a manager is able to identify the level at which an individual or group belongs, then it is able to offer rewards really motivating.

In general, the Maslow pyramid is used to identify the needs and motivations that we inhabit. According to him, the man does not reach the fullness and success if he is not satisfied in all areas in order of priority.

However, this model has also some limitations. Even more, the volume of natural needs and the way to satisfy those needs depends on the cultural level of the society (Rada, 1998). There is also a debate concerning the impact of advertisement on people’s needs. While some authors support the idea that some needs and the importance that individuals give to them are built by marketing techniques, others such as Katona (1964) thinks on the opposite way, being experience what modifies consumers’ necessities.

### 2.2. Financial Crisis has changed Consumer Buying Behaviour

The world economy is experiencing nowadays a crisis period. The extent to which the countries are affected depends on the economic structure that they had before the beginning of the crisis, in USA in 2007 as a consequence the collapse of Lehman Brother that has driven a lot of economies during 2008 into a recession period. Some countries have nowadays recovered due to fiscal and financial
measures taken by their governments (Mansoor & Jalal, 2011). However, Spain that had experienced a high growth during the previous decades of the crisis thanks to the construction boom, has been hit in a deepen way by this economic downturn, and even more the recovery seems to be very difficult to be soon achieved as we can state looking through the unemployment rates that continue to grow in a worrying way, being the responsible of approximately half of the unemployment rate rise from January 2012 to February 2012 according to Eurostat (Abellán, 2012). Consequently, from being one of the Europe’s growth engines countries, nowadays, Spain is one of the principal problem for the European Union like other countries such as Ireland, Greece or Portugal (House, 2010). Even more, Spanish economy is one of the fifth-largest economies in Europe what makes its situation more importat for the other European countries, not only for its size, but also for its integration into the European market and its relations with Latin America and the United States, as it is said: “Spain looks too big and too strategic to fail” (European Union, 2010). Consequently, some measures must be taken into consideration in order to fight crisis and drive the Spanish economy to a new boom period.

In order to achieve this goal, one of the main concerns of Spain government is the unemployment rate, the highest in the European Union above the 20% (Spain: "Grand pact" may not be enough to end crisis, 2011). This figure is even more significant when talking about youth unemployment, affecting those under 25 years old, that is above 50%, from the first time since 1998 (Abellán, 2012). The consequences of this crisis are therefore social too; While before the crisis Spain was the principal destination for immigrants coming from Latin American countries as well as other countries all around the globe, nowadays the situation is the reverse. During these difficult times, lots of immigrants that had found a job in construction during the housing boom, now they have lost it and they do not succeed in finding another one as there are more jobseekers for fewer vacancies which has turn the labor market into a more competitive one. Consequently, the departure of unskilled migrants is a current evidence. But experts are concerned because of a threat of what is called “brain drain”: highly skilled
young Spaniards leaving the country seeking jobs abroad in countries such as UK, Germany or Latin America, that might not return to Spain which is crucial if the country wants to recover from the crisis (Mallet, 2011).

The economic crisis changes the buying patterns of people due to hard and stressful situations (Nistorescu & Puiu, 2009). As McGregor (2011) affirms, consumer themselves have suffered a transformation since the recent global recession started. In a global perspective, they are currently experiencing financial difficulties. Whatever economic situation changes consumer’s perception of risk affecting the consumption patterns (Mansoor & Jalal, 2011). Consumer self-confidence is not longer at the same level. Bearden, Hardesty, & Randall (2001, pp. 121-134) define this concept as “the extent to which an individual feels capable and assured with respect to his or her marketplace decisions and behaviours”. As the economic environment has changed due to the crisis, consumer self-confidence has been decreased during the past few years. (McGregor, 2011).

Nistorescu & Puiu (2009), in their report realised the financial crisis affects the customers economically and psychologically. People become more money minded. Most of them try to do not spend money on premium products anymore, focusing on their necessities, switching to cheaper brands and having a more rational view on promotion. Thus, they start to compare different products taking more into account price rather than quality. This is one of the principal reasons when explaining the incredible success that store brands are achieving during the last years. Due to the importance of the shift from national brands to store brands that a lot of consumers are experiencing, this affirmation will be discussed in the following point.

Mansoor & Jalal (2011), described the consumer behaviour changes: while before the crisis the decision-making buying behaviour was a programmed or limited process; during that, as the consumer worries economically, he tries to search other alternatives having turned this process into an extensive decision-making buying behaviour.
Amalia & Ionut (2009), numbered in their report some facts that affect the consumers as the growing unemployment, increasing inflation, “freezing” or even decreasing of wages, which results on a decrease of the purchasing power. Media are one of the most main influencers during this period. As more as they publish articles reflecting the crisis effects and as more as the people read about that, the worse psychological effect with negative impact on consumers they have, downsizing consumers’ consumption expenditure.

During recession the saving rates rise up because of the fear to lose their job. Contrary, as the economic conditions become better as higher is the expenditure. Harder is for those who lose their job as they cannot save money because of their limited resources; they compulsory have to spend on necessities (Katona, Psychology and Consumer Economics, 1974).

Amalia & Ionut (2009), stated that as all the people are not the same, they do not have the same perception of the crisis effects. They proposed the risk attitude, the consumers’ interpretation and how much they dislike the risk content, and risk perception, how they interpretate the chance of being exposed to this situation, as the main factors to describe the model of consumer’s behaviour in that situation. They distinguished four types:

- **Panicked consumers**: are those who have a high perception and attitude of the risk. Thus, they are high risk averse and will try to reduce it as maximum as possible. As panicked consumers, they will drastically downsize their consumption focusing on best prices switching brands.

- **Prudent consumers**: do not almost perceive the risk but have a high risk attitude. They are considered risk averse but as prudent consumers, they are not stressed because of the previous risk avoidance. They are currently well informed, low switching cost and postpone as more as possible big purchases.
• **Concerned consumers:** perceive a high risk but it does not result on a high risk attitude, totally the opposite. Even knowing some operations could be high risky, they will assume it. Normally they plan their spending and remain loyal to the brands, although they can downsize sometimes to cheaper items. They are ready to try innovations and new products in the market.

• **Rational consumers:** have a low risk perception and attitude. They do not take into account information about crisis effects and will not change their current habits. They will continue buying the brands that transfer them the most satisfaction.

In another study made by Flatters and Willmott (2009), new trends in consumer behaviour when the financial crisis arrives are numered. People simplify their demands, economize their expenditure, switch brands searching for cheaper prices downsizing their quality requirements, green products and breaking loyalty, and as they worry about their future and their families, they will not donate to unknown people.

Because of the financial crisis and the decreasing adquisitive power, the store brands sales had never stopped growing (Moreno, 2009). What is more, in 2008, when the crisis was beginning, the food products inflation had a 7%, impulsed store brands sales (Delgado, 2008). Because of the importance that the store brands have for describing the changes in the buying behaviour, we thought it needed to be investigated more deeply.

### 2.3. Retailers and store brands

As Montaner (2008), affirms in her study, retailers have experienced a huge change in the past decade due to greater retailing concentration and change in consumer habits that have entailed new buying ways and formats, contributing to the expansion of store brands.
Store brands, according to The Private Label Manufacturers Association (PLMA) are defined as those products bought by retailers in which instead of writing the manufacturer or brand name, it appears the store name. Regarding Schutte (1969, p. 5-11) store brands are “products owned and branded by organizations whose primary economic commitment is distribution rather than production”. Baltas (1997, p. 315-324) defines them as “consumer products produced by, or on behalf of, retailers and sold under the retailer’s own name or trade mark through their own outlets”. “Store brands” are also known as “Private Label brands”, “No-names” or “Generics” (Mogelonsky, 1995).

While some many years ago store brands were perceived as low-priced products, retailers, nowadays, are changing this general idea by offering more expensive but superior quality products in the market (Anselmsson, Johansson, & Persson, 2008). Indeed, whereas at the beginning it was commonly thought that store brands were low-value, low-quality products, some past studies have revealed that many consumers consider store brands as having the same quality standards as the national brands (Reyes, 2006). As a consequence of this, separated store brands must be differentiated. Following the classification of Zielke and Dobbelstein (2007), there are three different types of store brands: classic, generic and premium. Generic brands, for example, responds to the need of cheap products with basic attributes. Contrary, premium store brands are perceived as high quality products, not differing to national brands’ products in this characteristic.

According to Baltas (1997), store brands consumers are expected to be price-cautious. Consequently, as bigger the differential price between national and store brands is, as more store brands products are sold (Zielke & Dobbelstein, 2007). According to the study carried out by Organización de Consumidores y Usuarios (2011), buying store brands in Spain can save a 44% on the total of the shopping. However, huge price differences have not always had a positive effect; those products sold at really cheap prices could be felt as inferior quality products (Dick, Jain, & Richardson, 1996). Zielke and Dobbelstein (2007), carried out one study in which those products that benefit from a price
advantage of 40 percent, were the most popular, in relation to consumer’s purchase willingness. In fact, regarding this study, the worse marketing strategy was to be “stuck in the middle”.

During the last years, store brands have experienced a huge increase in sales, reaching more customer segments and achieving bigger market shares all around the world. Indeed, some retailers have decided to remove other private brands’ products from their stocks as a consequence of the success of their own products to achieve a better price-quality relation (Serrano Rodriguez, 2010, Carrascosa, 2010). Even more, almost all products are available both in store and national brands. The success of a store brand also depends on the retailer’s reputation. As Mogelonsky (1995) explains, when there is a clear support and trust in the retailer, consumers are expected to better support the retailer’s private brand. That is why a better recognition between the store and the private brand, for instance, using the retailer’s name when selling its products rather than a completely different name, is more likely to have more success among consumers (Mogelonsky, 1995). In 2008, Spain was the 4th European country in terms of store brand’s market share, reaching these brands a 34 per cent of products’ sales (Delgado, 2008). This figure is even more significant when taking into consideration that private brands have appeared in Spain in 1977, when Eroski launched its first own brand (Moreno, 2009). The development of store brands in Spain is expected to continue in the future, since the increase in sales of store brands products in the past decade was above the European average, even tough in the whole European territory, private-label brand products have increased significantly (Montaner, 2008).

The success of these private-label brands can be explained by their ability of adaptation to changes in the markets. For example, when the current economic downturn made consumers to save as much as possible, Eroski launched “Eroski basic”, a line of around 200 products that allows them to buy cheaper but quality products too (just-food.com, 2010). The following year, the company tried to reach more segments; in this case the purpose was to meet the needs of those consumers expecting healthy products. In order to reach this goal, Eroski launched “Eroski Sannia”, a line composed of products
containing less salt, sugar or fat, and more fibre, vitamins and minerals (Petah, 2011). As a consequence of these measures, Eroski is achieving great results, that have brought the possibility of developing a huge expansion: the group’s strategy is to open 150 stores between 2011 and 2013 all around the Spanish territory (Russell, 2012).

The figures of Eroski can make us think that this firm is the revelation of the past years. However, Mercadona has become the reference of the Spanish retailers. Nowadays this firm only operates in Spain, but it plans to expand to other European countries, being Italy the chosen one (Belloso & García, 2012). In 2011, Mercadona was the third-largest chain in Spain. Only Carrefour and Eroski went beyond this firm (Business: Spanish aisles, 2011). Mercadona is a clear representation of how making the most of supplier relationships, model followed by companies competing in the same industry or even in other industries such as Walmart or Ikea, respectively (Belloso & García, 2012). Through long-term relationships with its suppliers, Mercadona achieves to offer low prices products. Even more, to fight crisis, Mercadona reduced its prices around 14% since 2009, without decreasing its quality standards. That is why Mercadona’s products are well appreciated by consumers who are the main ambassadors of the firm. For example, “Deliplus”, its own-label cosmetic products, represents the 38% of total sales (Business: Spanish aisles, 2011). Others private-label brands of Mercadona are “Hacendado” for food which has become one of the fifth more valued brands in Spain, “Bosque Verde” for cleaning products and “Compy” for pet products.

Other examples could be “Veckia”, a perfumery and bath product’s line offered by El Corte Inglés (Se buscan mil millones de nuevos clientes, 2011), “Carrefour” an own-label brand launched by this company in 1985 and “Carrefour discount” composed of lower-priced versions of basic products (Passariello, 2010) (Moati, 2010).

As it has been noted before, Spain is one of the European countries in which store brands have achieved the most prosperity in markets, being the other ones Switzerland, Germany, Great Britain and
Belgium. Concerning products categories, the most successful are paper products, refrigerated food and frozen food. Contrary, shampoo, toothpaste and cosmetics registered the lowest sales figures in store brands products (ACNielsen, 2005). According to Mogelonsky (1995), store brands are becoming the reference brands when talking about milk, cheese and paper napkins among other products.
3. METHODOLOGY

The final aim of this thesis is to find out if there has been a change in the Spanish consumer buying behaviour since the financial crisis arrived. In order to achieve an accurate research it is necessary to carry out an effective methodology. Thus, this section explained the method we had used in order to test our research question. Firstly, quantitative and qualitative researches were explained. Secondly, we described the types of research and which primary and secondary data had been used to obtain the information needed, as well as the research method which is a survey. Thirdly, population and sample had been explained. Finally, the research instrument, in this case a questionnaire, was clarified.

3.1. Method

Newman & Benz (1998) affirmed that every behavioural research is made up of a combination of qualitative and quantitative constructs.

Amaratunga, Baldry, Sarshar, & Newton (2002) aggregated some strengths and weaknesses; see Table 3-1.

In the same article they described both types and research data:

Qualitative research data belief the world is socially constructed and subjective, the observer takes part on observed objective and science is driven by human interests. Researcher should focus on meanings, understanding what is happening and developing ideas through induction from data. It is advisable to use multiple methods to establish different views of the phenomena and gather small samples. Newman & Benz (1998) said, it is useful when assessing ethnography studies, case studies,
field studies, grounded theory, document studies, naturalistic inquiry, observational studies, interview studies and descriptive studies.

In contrast, quantitative research data sees the world as external and objective with an independent observer and watching science as value-free. The researcher should focus on facts, look for causalities and fundamental laws, to reduce phenomena to simplest elements and to formulate hypotheses and test them. Method has to be able to be measured using large samples (Amaratunga et al. 2002). Newman & Benz (1998) said that it is more useful for empirical studies or statistical studies. This way is the one used traditionally for psychology and behavioural science in respective investigations.

As they said, some standards have to be adopted deciding which measure can be the most effective: qualitative, quantitative or a continuum including both.

Table 3-1: Comparison of strengths and weaknesses (Amaratunga, Baldry, Sarshar, & Newton, 2002, p. 20)

<table>
<thead>
<tr>
<th>Type</th>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quantitative</td>
<td>1. Provide wide coverage of the range of situations.</td>
<td>1. Inflexible and artificial methods.</td>
</tr>
<tr>
<td></td>
<td>2. Can be fast and economical</td>
<td>2. Not really effective in understanding processes or the significance that people attach to actions.</td>
</tr>
<tr>
<td></td>
<td>3. When large samples are aggregated on statistics, it can be of considerable relevance to policy decisions</td>
<td>3. Not really helpful in generating theories.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4. Hard for policy makers to infer what changes and actions should take place in the future</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5. Data collection can be not enough needing more resources.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. Analysis and interpretation is harder and subjective.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. Harder to control passes, progress and final points.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4. Policy makers can give low credibility.</td>
</tr>
<tr>
<td>Qualitative</td>
<td>1. Data-collection methods more natural.</td>
<td>1. Analysis and interpretation is harder and subjective.</td>
</tr>
<tr>
<td></td>
<td>2. Available for looking changing processes over time.</td>
<td>2. Harder to control passes, progress and final points.</td>
</tr>
<tr>
<td></td>
<td>3. Available to understand people’s meaning.</td>
<td>4. Policy makers can give low credibility.</td>
</tr>
<tr>
<td></td>
<td>4. Adjustable to new issues and ideas as they appear.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>5. Contribute to theory generation</td>
<td></td>
</tr>
</tbody>
</table>
The first reason why we had selected the quantitative research was our limited knowledge and experience in this field that was not as great as it should be to interpret qualitative research. As the results in a quantitative research are more objective, we thought it was better so as to avoid misleading results or lead us to mistakes. In addition, as we had explained before, the quantitative approach is generally applied into behavioural science. Furthermore, the selected method for carrying out our study had been a survey for the benefits that it could bring to our study, taking advantage of Google Docs that had good tools to design it and create several ways for the different individuals. Thus, the final result was better showed and clearer.

3.2. Types of research

To carry out our research we had followed different steps. We began with an exploratory research and continued with a descriptive research in order to deepen in our research.

3.2.1. Exploratory research and Secondary data

First of all, when we began our investigation, we had a lack of knowledge about what the problem was. Thus, exploratory research helped us to define narrowly our research question. (Churchill & Iacobucci, 2009). It worked searching for information on literature and secondary sources (Krishnaswamy, Sivakumar, & Mathirajan, 2009).

According to the definition of secondary data of The Dictionary of Real Estate Appraisal cited by Rabiansky (2003, pp. 43) we can describe it as the information gathered from secondary databases. It had been collected firstly by other analyst who after published it. As he said: “this secondary data describes the general real estate market and is usually collected by a research firm or government agency”.

In order to collect our different models and theories, we had searched them on databases on the internet. Especially on ABI/INFORM Global thanks to its high content of thesis, scientifically articles, journals...etc. In “Web of knowledge” was harder to find complete articles, that is why we had use it less. Some key words had been used to find suitable articles such as “consumer buying behaviour”, “types of buying behaviour”, “store brands”, “Spanish crisis”. In some articles, we found some references of text books that we thought could be also important for our study. That is why, thanks to Google Books, we found some good models and theories also added to our study. Thanks to the library of Halmstad University, we had found some books, for instance one entitled “Internet, mail and mixed-mode surveys”, which helped us to analyse and interpret our surveys and to relate some characteristics of it. To gather some statistical data, we used some firm websites and the database of INE (Instituto Nacional de Estadística) to collect some economical data about Spain.

3.2.2. Descriptive research and primary data

Secondly, after collecting all our theories on the secondary data, we carried out our descriptive research, through gathering our primary data, which supports our research question. The descriptive research determines the frequency with which something happens or the relationship between to facts or variables. In our case, we tried to find the relationship between the Spanish crisis and the changes in consumer buying-behaviour, for instance buying more store brands as the tool to describe it (Churchill & Iacobucci, 2009).

The Dictionary of Real Estate Appraisal cited by Rabiansky (2003, pp. 43) defines primary data as the information that researchers gather first hand. He described it as “specific data and competitive supply and demand data, which deal with the subject property and comparable properties in the subject market”.

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Thus, the primary data gathered by one person or entity becomes the secondary data for another interested in using it.

As secondary data could be useless because of the errors caused by changing circumstances, inappropriate transformations, inappropriate temporal extrapolations or inappropriate temporal recognition, the aim for gathering primary data is to avoid as more as possible these errors. The primary data gives you current information adding you the rest of the information needed to conclude your study.

The collected primary data should be relevant, accurate, current and unbiased (Kotler & Armstrong, Principles of Marketing, 2010). According to them, there are three different approaches that can be adopted while gathering primary data: observation, survey and experiment. For accomplishing the purpose of this thesis, we did the best method suited for descriptive research, a survey research which runs “gathering primary data by asking people questions about their knowledge, attitudes, preferences, and buying behaviour” (Kotler & Armstrong, 2010, p. 109).

We decided to do a survey, after rejecting the other ones due to the fact that the distance between Sweden and Spain, which are our current emplacement and the country where the study was taking place respectively, made difficult to adopt an observation or experiment approaches, as both require for better results, an interaction between the persons carrying the study and the persons whose
behaviour was being studied. Thus, a survey research allowed us to find information about Spaniards’ buying behaviour by asking some selected questions to the consumers of this country. Some examples of contact methods are: mail, telephone, personal or online. Each method has its own advantages, but disadvantages too. For reasons previously explained, online contact method, that allowed us to spread our questionnaire through e-mails and social networks, seemed to be the most adequate; Web-based surveys brought us the flexibility needed, as well as we could have access to a cheaper, more accurate and huge quantity of information in a short period of time which was really important for our study taking into consideration the limitation of time that we had to write our thesis (McCullough, 1998). The sampling plan would be explained in the following section that concerns the concepts of population and sample. Finally, the research instrument selected was a questionnaire from which we were going to gather the information, the more accurate as possible; see Figure 3-1.

3.3. Population and sample

3.3.1. Population

Population is a concept that refers to all the possible cases in which we have an interest for their study (Byrne, 2002). According to Thyer (2010), a population consist of the large group of persons, objects or phenomena in which researchers are interested to learn. Bryman & Bell (2007) defined population as all the units from which the sample is going to be chosen.

For answering our research question, the population of our study consist of the middle class Spanish households. To define the middle class is a complicated task. As Eisenhauer (2008, pp. 103-113) explains, there is no clear consensus of which are the boundaries that separate the middle class from the upper and lower classes. Consequently, and in terms of this author, “the notion of the middle class remains vague and arbitrary”. In order to define our population, and because of the fact that we thought
it would be the more precise definition, we considered the one given by the RAE (Real Academia Española, 22th edition). According to this institution the middle class consists on those persons whose earnings allow them to live in a comfortable way in a greater or lesser extent. As Muñoz (2009) affirms, the middle class has became not only the principal reference of the occidental society but also the main support of the welfare state. During the past decades, the consumption role of this class has been increasingly emphasized (Kharas & Santiso, 2010); as we are evaluating the possible changes in the Spanish buying behaviour, this constitute the principal reason for taking the middle class into consideration when developing this study. According to INE (Instituto Nacional de Estadística, 2012), in 2001 when the last census related to this subject had been done, the number of households in Spain was 14,187,169. Each household differs in the income earned and in their expenses from the others. What would be relevant for drawing our conclusions would be to explain, on average, the possible changes that they have experienced during the past years.

3.3.2. Sample

The population can be divided into different segments, through a sampling process which can be described as the use of different methods that allow researchers to identity the groups of persons, objects or phenomena that were selected for marketing research and used to represent the total population (Thyer, 2010). The selected segment to be actually observed constituted the sample of a study. A sample was used to draw aggregated characteristics of the population from the aggregate characteristics of the sample through an inference process (Byrne, 2002). The principal requirement for a sample is that it must be representative so as to draw reliable conclusions of the population (Kotler & Armstrong, 2010). In order to develop a good sampling plan, three steps have to be followed: sampling unit, sample size and sampling procedure.
The sampling unit refers to the unit studied. In this case the unit corresponds to each Spanish household, focusing in the person who is in charge to do the regular shopping, for instance the father or mother of the family, or an independent person.

An appropriate sample size is required if we want that our study’s results have a right confidence level (Benefits and pitfalls of patient questionnaires, 1998). As consumer behaviour and the extent to which the Spanish households can have been affected by the crisis depend on many individuals, social and geographical characteristics, the more responses received from the more varied households, the better it was going to be for achieving a high validity on our study. Therefore, in order to achieve a balance between the assumptions that as more possible answers received as better it was, and the lack of time and means of reaching the total population, a sample of around 100-150 households seemed to be sufficient. Relating to the sampling procedures, we divided them in probabilistic and non-probabilistic sampling (Whitman & Huff, 2001). A probability sample is selected using random techniques bringing all the units of the population a known chance of being selected. On the contrary, non-probability samples imply that some units of the population have more possibilities for being selected than others for later study (Bryman & Bell, 2007). The importance of probability in sampling is too high since it brings the opportunity to use the information obtained from a sample to make inferences about the total population (Thyer, 2010). The benefits of using a probabilistic method is that bias can be removed from our sample. However, the impossibility or extreme difficulty that sometimes a researcher can have when trying to obtain probability samples; can make them to decide the use of non-probability samples (Bryman & Bell, 2007). According to Thyer (2010), the more used methods of probability sampling are the random sampling methods that can be classified in simple random sampling, stratified random sampling and systematic sampling among others. We decided to use a simple random sample that allows all households to have the same possibility of being included in the sample. In order to reach our purpose two primary means were employed: e-mail and social networks;
We used the link of “Google Docs” that allowed us to spread the survey easier through the list of friends that we had on the Spanish social network “Tuenti” (www.tuenti.com) and on the international social network “Facebook” (www.facebook.com) and our e-mail contacts, to select our respondents. We also asked each of them to send the questionnaire to other friends who were in charge of shopping at home, so as to increase our snowball sample made up by people that was not possible for us to reach directly commonly known as second hand contacts (Whitman & Huff, 2001).

3.4. Instrument to collect the data

So as to be able to determine the changes in the consumers’ buying behaviour a study had to be carried out. According to Buyukozkan & Maire (1998), all studies have to follow the same structure: a well designed questionnaire, data collecting through spreading the questionnaire, and data compilation and analysis.

Consequently, a survey among consumers seemed to be necessary, using this primary data to complete what we found through secondary data. Thus, the survey would allow us to ask households questions about their consumer buying behaviour. In order to carry out our survey, the selected research instrument was a questionnaire.

It may be thought that writing a questionnaire is not a difficult matter. However, the process of writing it was going to become a complicated one because of the different points that must be followed if we wanted to do it in an effective way (That's a good question, 1995). As some authors explain, we can observe that there exists a large difference between a list of questions that do not follow any clear structure and a questionnaire that must deliver an effective image to respondents if we want the answers to be the more reliable as possible (Don A, Jolene D, & Leah Melani, 2009). Therefore, questions must be ordered in a logical way. Even more, the same procedures are not suitable for all types of
questionnaires. Three characteristics have to be pursued by all questionnaires: validity, sensitivity and reliability (Benefits and pitfalls of patient questionnaires, 1998). Also, some important points have to be taken into consideration:

- All questionnaires should start by explaining what the purpose of the study is.
- Questions have to be the shorter and specific as possible, trying to omit leading questions.
- Questions have to be grouped in different and consistently separated sections due to their characteristics, being the different sections joined by some linking phrases.

Questionnaires can be composed of closed-end questions or open-end questions.

- Open-end questions: questions that provide a blank space or box that respondent must use to write or type their responses. They can be numerical or textual (Buyukozkan & Maire, 1998). The benefit of this type of questions is that they provide free space without limiting or affecting participants’ responses. However, as these questions require more effort, a high percentage of respondents avoid answering this type of questions. Even more, they are more complicated to be analyzed because of the variation among answers (Don A, Jolene D, & Leah Melani, 2009).

- Closed-end questions: questions that give respondents a list of answer choices from which they must select the answer that fits to them the best (Don A, Jolene D, & Leah Melani, 2009). This type of questions can have one, multiple, organized and scale answers. (Buyukozkan & Maire, 1998). Closed-end questions had to be well prepared so as to include all reasonable possible answers, being these answers mutually exclusive.
Sometimes, it can be useful to mix both types, developing partially closed questions, for example a question offering different possible answers and a special category: “Other”, that allows respondents to include another answer if the previous answers do not fit them.

Additional instructions to better understanding questions are also sometimes needed (Don A, Jolene D, & Leah Melani, 2009).

Three different points have to be taken into account when writing the questions of our questionnaire: type of information desired, question structure and wording (1995, p. 10).

To be an efficient instrument, high participants’ response to the questionnaire is necessary. It can be reach through incentivizing respondents with cash or other like personal community involvement or sponsorship. Participation is also supposed to be higher if participants are interested by the topic. In addition, phrases such as “we appreciate your help” or “Many thanks in advance” are believed to increase response rates. When doing web surveys, it is important to avoid bulk messages, so it is necessary to send individual messages that made participants to feel they are important for our study (Don A, Jolene D, & Leah Melani, 2009).

With the aim of eliminating as much errors as possible before sending the questionnaire to the final participants, pretesting is an important tool that can be conducted. This technique consists on showering the questionnaire to a small group of people to make sure that the questionnaire has no errors or possible improvements (That's a good question, 1995). After adopting this technique with a group of five, some changes were done in the questionnaire for its improvements. For instance, some retailers (Simply, El Árbol, Bon Area and Schlecker) as well as store brands, (“Eco+” and “Marca Guía”, both offered by E.Leclerc) were added. Some questions suffered modifications in their structure so that to be more understandable. In addition, others needed notes so as to make sure that respondents really understand the purpose of the question; it was necessary to remark that when it comes to total monthly expenses, the questionnaire makes reference to all type of expenses including food, entertainment and
other like electricity bills, etc. Finally, at the end of the questionnaire we highlighted that all respondents must click the “Send” button to really allow us to see their answers.

In order to make our questionnaire the most attractive as possible and distinguish it from others, these techniques were adopted.

**3.4.1. Consumers’ questionnaire**

The questionnaire began with a small presentation of the researchers to let the respondents know who we were and why we were developing this study. We presented our thesis in a few words. Also, we highlighted that it was very useful for our purpose to receive as much answers as possible. We also thank everyone for helping us by spending their time answering our questionnaire. The aim of this presentation was to have a closer relationship with our respondents as not all of them knew us. Even more, the likelihood of responding increased if the expected rewards obtained by doing it outweigh the cost of responding (in this case in time spent). As non-economic rewards were possible in our research, it seemed necessary to touch our respondents emotionally so that they felt necessary to complete our survey. We tried to achieve this goal thanks to tailored design which is described as the “use of multiple motivational features in compatible and mutually supportive ways to encourage high quantity and quality of response to the surveyor’s request” (Don A, Jolene D, & Leah Melani, 2009, p. 16).

This presentation was followed by a structured questionnaire composed by closed-end questions. So as to determine if a respondent belonged or not to our sample, the first question posed was whether they were or not one of the persons in charge of going shopping at home, as this point was crucial for knowing if we were asking the right persons in order to have accurate answers. Consequently, the questionnaire continued only for those respondents who normally do the courses for their households.
As we can observe in the following table, the first questions covered demographic information such as gender, age and region so as to determine the profile of each respondent; others related to the respondents’ households, for instance the family size as well as the annual earnings or monthly expenses; also questions concerning buying patterns such as purchasing frequency, supermarkets, brand loyalty, products preferences, and finally some questions related to the economic situation like the economic concern, unemployment, savings or reduction in consumption and future approach adopted after the crisis. All of these questions were common for all respondents. Then, there was a distinction between those normally purchasing private-label brands and those who were keener on buying leader brands; questions differed depending on the response given at this point. The reasons for asking different questions to different types of respondents responded to the need of being more precise to the specific characteristics of our respondents to try to gather as much accurate information as possible.

**Table 3-2: Information gathered schedule**

<table>
<thead>
<tr>
<th>Category of information</th>
<th>Type of information</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Demographics</strong></td>
<td>Gender, age, region, size, earnings, expenses, frequency, products’ attributes, types of products, supermarkets, brands, changes in buying behaviour, brand loyalty, economic concern, unemployment, reduction in consumption, future approach</td>
</tr>
<tr>
<td><strong>Leader brands’ consumers</strong></td>
<td>Reasons why do not buy store brand, searching for information, possible change to store brands, savings</td>
</tr>
<tr>
<td><strong>Store brands’ consumers</strong></td>
<td>Loyalty, savings, future approach, preferred store brands, store brands’ products disposable to buy, savings, increase in store brand products, weight of store brands’ product in shopping budget, expected future behaviour</td>
</tr>
</tbody>
</table>
The complete questionnaire can be seen in the first Appendix (Appendix I).

### 3.5. Reliability and Validity

Reliability and validity are two core concepts when ensuring credibility and academic value to a research study. These two concepts are related. Bryman & Bell (2007) take a forward step when state that validity assumes reliability. However, this affirmation does not work in the contrary direction; As Thyer (2010) proclame that even if an instrument is not valid, it can be reliable.

#### 3.5.1. Reliability

In order for a research study to be reliable, it must be consistent over time and correspond to an accurate representation of the total population under study (Joppe & M., 1998).

The importance of proving reliability is explained as the need to ensure that the measure taken is well close to the true measure so that the research can inspire confidence (Goodwin, 2010).

According to Kirk & Miller (1986), there are three steps concerning reliability; the first one refers to the degree to which a measurement provides a similar score after being repeated many times. The second one refers to the stability over time of a measurement. Finally, the third one refers to, given a time period, the similarity of measurements. According to Thyer (2010), three approaches can be used to determine the reliability of a research instrument: test-retest, alternate forms and split half.
3.5.2. Validity

The extent to which a research is considered to be valid depends on its capacity to measure what it was aim to measure and not some other concept or research problem, as well as the capacity of the research instrument to bring accurate results to the research question (Joppe & M., 1998).

In order to ensure the validity of this paper, we chose those methods we considered to be the best ones for this research purpose.

In this paper, the collection of data through a survey allowed us to increase the validity and reliability of our primary data. However, as the survey was conducted in Spain, and due to the fact that not all the Spanish population had a sufficient level of English, the questionnaire had been done in Spanish and after translated into English so that nobody could understand it when reading the thesis; this translation problem could be prejudicial to the reliability as sometimes could be difficult to translate some expressions used in one language into another. Nevertheless, as the questionnaire’s questions did not entail so much difficulty since they were thought to be understandable by everybody we concluded that this problem was clearly avoided and could not threat the reliability of the whole paper.

In addition, it was important to remark that the survey responds to ethics. Each person asked for answering the questionnaire was free to do it or not. Even more, all responses were anonymous so that to ensure the confidentiality of all the people involved in the data collection process.

Relating to the secondary data, the majority of the information obtained comes from research journals, official websites or other thesis to try to use the information available that had the most academic value as possible. In addition, and with the aim of increasing the validity of the secondary data used, literature review had been done by looking through referent authors’ papers.
4. EMPIRICAL MATERIALS

In this chapter, we described the research findings obtained from the information gathered thanks to our questionnaire. We presented the results of each question individually. Then, in the analysis section, some combinations that helped us to do a deeper analysis of the situation were presented.

4.1. Questionnaire participation

The questionnaire was sent to as many people as possible through every channel available. The number of persons who answered it was 248, showing that people was really interested in participate in the study. However, as we had explained before, we decided to ask some questions, so as to determine whether the respondent would be able to give us the information required in an accurate way. First we asked if they often went shopping and so we eliminated people who were not the in charge of shopping. After, to eliminate more errors, as there could be people who lied in this question trying to simulate the behaviour of their parents instead to let them do it, we also avoided all the students who lived in a house of more than 2 people; this is because a student who lives alone or with another person who can be his father/mother or another student can also be in charge of shopping to help at home but might not be one who lives with more people. Only 123 persons belonged to our sample, being these responses taken carefully for further analysis.

4.2. Demographics

The gender of the respondents can be very useful for further analysis as men and women can search, for instance, different products’ benefits. We can observe that a high percentage of our
respondents (62%) were females, whereas the obtained males’ responses constituted only a 38%. In absolute figures, 47 men answered our questionnaire contrary to 76 women; see Graphic 4-1.

**Gender**

![Gender Chart]

**Graphic 4-1: Gender results**

As we can see in the Graphic 4-2, to better determine the profile of our respondents, they had been grouped in 4 groups in relation with their age. It is believed that consumers differ in their buying behaviour depending on their age, as young generations could be keener on cheaper brands or different products than their progenitors. For our study, all these possible generations were valid, as we could obtain information from parents who have to go shopping for the whole family, but also from students or young generations who lived alone or with other students, for instance if they studied in another city so they could not live in their parents’ house; this represents just only the 24% (29 answers) thanks to the elimination we had done before. Since we could observe in the Graphic 4-2, with the exception of retired who constituted only a 4% of our sample (5 cases), the rest of the generations were well represented being the range from 25-45 years old the most common among our respondents with 54 answers (44%). 28% of our selected sample (35 persons) are 46-65 years old.

**Graphic 4-2: Age results**

![Age Chart]
Finally, and due to the fact that consumption habits could vary depending on the geographic situation, it was also important to make a deep analysis of the regions where the respondents came from. Spain is divided in 50 regions called “provincias” grouped in 17 “Comunidades Autónomas”. To obtain answers from the most varied regions, the better it would be for our study. However, in our case, we obtained information from only 17 regions. It is also remarkable that the majority of respondents (70%) belonged to two specific regions: Islas Baleares (37%) and Navarra (33%). The reason is obviously that, since they are our origin places, it was easier for us to reach these segments. Concerning the other regions, Jaén (8), Barcelona (7), Madrid (5) and Zaragoza (5) were also well represented. By grouping the answers according to the “Comunidades Autónomas”, we can also observe that Islas Baleares was the most common answer (46), followed by Navarra (41), Andalucía (13) and Cataluña (6). Contrary, we did not obtain information from Castilla la Mancha, Asturias or Cantabria among others.

It was necessary to know the family size as well, as a person who lives alone does not normally have the same buying patterns as those of a family, and even those families having children behave in a

Graphic 4-3: Regions results

![Regions](image-url)
different way that those couples that do not have descendents. Graphic 4-3 shows that the majority of middle class Spanish households consist of two (34 persons, 28% of the cases), three (26 answers, 21% of the cases) and four members (37 times, 30% of the cases). We supposed that those households consisting of two members are couples without children although they could be monoparental families with one child too or students living together. People who live alone could be students living out of their parents home, old people such as widower or persons living independently.

![Family size](image)

**Graphic 4-4: Households’ size**

The earnings per year that a family obtains as well as the monthly expenses are another two points to take into account. Normally, high income families would spend more than those having lower purchasing power; with the aim of supporting this statement, another graphic showing this relation should be presented.

As we can see in Graphic 4-5, on average Spanish households’ annual income was 21,268.54€ and the mode was 14,001-28,000€. There was a low number of families who earned more than 42,000€ per year (14 respondents). Relating to those households whose earnings were lower than 7,000€ per year (24 cases), we knew that the majority of them were persons who lived alone, students who did not live in their parents’ house, or people whose all the members of the family were in unemployment, having a low purchasing power.
In relation to the monthly expenses, we can note that in the majority of the cases (104 respondents), the total expenses per month were in a range of 301-2,000€. Only 14 households spent more than 2,001€ per month, showing that Spanish households were taking care about their financial position; see Graphic 4-6.

As each person has its own buying behaviour, and even it can vary depending on specific situations (for example, one consumer could prefer to buy leader brands, but once he/she is affected by the crisis, this consumer could decide to buy store brands as a saving measure), some graphs resuming consumers buying behaviour are presented.

Graphic 4-7 allowed us to notice that on average consumer went shopping once (8 cases, 28% of our respondents) or twice per week (34 persons, 27% of the households). It was very low the percentage of households that went shopping only once a month (8 answers, 6% of the cases obtained). The rest of the households went shopping approximately once per fortnight (18 people, 15% of the cases) or needed to go shopping more than twice per week (29 cases, 24% of the responses obtained).
But, what did consumers value the most when they were deciding which product to purchase? We asked it with a multiple choice question and as we can see in the Graphic 4-8, almost all consumers looked for price (109 favourable cases) and quality (104 positive answers). The importance given to other product attributes was very low, as we can observe by counting the obtained responses; design (4), functionality (11), post-purchase service (5), brand (9) and size (4). In addition, one respondent remarked that the accessibility in car is one factor to take into account too. Due to the fact that we were analyzing the possible consequences that the current financial crisis could have on Spanish households, and noticing that almost all Spanish households took into consideration the price when deciding which product to purchase, we could conclude that a reduction in the Spanish households’ purchasing power
could bring some important changes in the Spanish’s consumer buying behaviour.

Depending on the supermarket, customer profiles could be showed as well due to its strategy. Each supermarket has different customer orientation and they follow a distinctive strategy. As we mentioned before, Mercadona, like Eroski-Caprabo and Carrefour were launching many store brands as a principal objective having big market shares. In our results we can see that the most important one was Mercadona which was selected 83 times. In a second position Eroski-Caprabo was selected 57 times, which was 7 times more than Carrefour. Día was chosen 37 times being in the third position. Lidl and E.Leclerc were chosen 20 and 19 times. Alcampo which was also a store brand launcher was selected by 13 people. With less importance were Schlecker, Hipercor, Makro and Aldi; see Graphic 4-9. It is important to say that this question is so dependent from the regions. Mercadona, which had been the most preferred, was not positioned in Navarra yet where 33% of respondents come from. In the same case E.Leclerc, it is in a restricted area of Spain like Navarra.

Graphic 4-9: Which are the preferred supermarkets?

Once a consumer arrived to the supermarket, he did not stop making purchasing decisions until he left the store. Doubtless, one of the main questions was to buy or not private-labelled products.
That is the reason why we divided our sample in two profiles by asking if they bought store brands. People with a positive answer, 82% of our sample, followed questions with the aim to know their current purchases in store brands and their feelings. 18% of our sample answered “No”, being after asked another questions to know the reasons why they did not buy store brands; see Graphic 4-10.

The last set of questions asked to all respondents concerned the current Spanish economic situation with figures about the household’s economic concern, unemployment rates or changes in their consumption level.

Factors such as incomes, members of the family, current expenditure, personality, media and so on influence the individual future expectations. Economic concern of individuals impacts on their buying behaviour. As more economic concern as more money minded should be a person. In an important crisis environment people may be worried about their economic uncertainty. This is why in

<table>
<thead>
<tr>
<th>Not worried</th>
<th>Slightly worried</th>
<th>Worried</th>
<th>Quite Worried</th>
<th>Extremely worried</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>14</td>
<td>32</td>
<td>39</td>
<td>33</td>
</tr>
</tbody>
</table>

Graphic 4-11: How much the consumers are worried about the economy?
our results a high level of uncertainty is showed; see Graphic 4-11. 83% of people are at least worried which is a big signal for a buying behaviour changing.

The difficult economic situation that some households were experiencing, which brought the previously explained economic concern, had the origin in the fact that some of their members were unemployed; consequently, their earnings were reduced during the last years. These households were the most attractive for our study. In absolute figures, 40 households who answered our questionnaire had suffered from this situation. Even more, 3 of them confessed that all of their members were unemployed which is a really hard reality. The fact that a high percentage of the respondents (around 70%) affirmed that there were no unemployed members in their households could bring to a misinterpretation of the huge difficulties that Spanish consumers were experiencing during the financial crisis; see Graphic 4-12.

When looking for some reasons that could explain these results, we had to point to the regions’ differences; in march 2012, one month before this research was conducted, the regions experiencing the highest unemployment rates were Extremadura (28.1%), Andalucía (26.4%) and Canarias (25.7%), in contrast to País Vasco (15.3%), Madrid (15.8%) and Islas Baleares (16.5%) which were those regions experiencing the lowest unemployment rates (Información estadística. Departamento de Economía. Economía Aragonesa. , 2012). As we have previously explained, the majority of the respondents came

---

**Graphic 4-12: Is there any unemployed at home?**

<table>
<thead>
<tr>
<th></th>
<th>No</th>
<th>Yes, only one</th>
<th>Yes, more than one</th>
<th>Yes, we are all unemployed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Count</td>
<td>83</td>
<td>26</td>
<td>11</td>
<td>3</td>
</tr>
</tbody>
</table>

---
from Navarra and Islas Baleares, regions that were not experiencing high unemployment rates: 16.7% and 15.5%, respectively. As a consequence of this explanation, we concluded that if the research had been carried out with the same percentage of responses from the different regions, these results would have been different, with higher households suffering for unemployment.

Concerning the patterns consumers had changed, we wanted to ask directly in a multiple choice question if they had cut their expenditure; only 31 people answered that they continued consuming the same as before the crisis. In order to save money because of the circumstances, other 18 people accepted that they had reduced their expenditure by buying cheaper products than before. As not being a necessary good or service, the leisure time took the worst part, 80 people answered that they had stopped spending in entertainment. 27 people answered that they had changed their mind when thinking about making a big purchase trying to wait more time until they do not need it compulsory; see Graphic 4-13.

Graphic 4-13: Have they changed their consumption?
4.3. Leader brands consumers

Concerning those respondents who preferred purchasing leader brands, when being after asked for the reasons for this preference, more than half of them answered that the satisfaction that leader-branded products bring (64%, 14 cases) prevented them from switching to store-branded products. This reason was followed by a lack of knowledge of store brands (9%, 2 cases) and the belief that these brands offered too basic products (9%, 2 cases). 9% of the reasons given (2 answers) were that store brands had low quality or did not satisfy their needs. Finishing, 4% of answers (only 1 response) were those households who did not trust in store brands. Thus we thought that retailers, to achieve better results and contribute for switching to store branded products, should plan an integrated marketing planning to convince consumers which had not still tried the products; see Graphic 4-13.

![Why do not you buy store brands?](chart)

**Graphic 4-14: Why the leader brand buyers do not buy store brands?**

We wanted to know the degree of involvement they had and if they had changed their pattern searching for information; see Graphic 4-15. On the leader brands buyers we got 27% that had a high involvement but they had changed to a higher level. 36% also had a high involvement but they had not noticed any change. 22% of people had a low involvement in their purchases but the crisis had not made any change in their patterns. 13% had a low involvement when buying but after their crisis, they had changed their behaviour becoming more rational buying carefully and being less driven by sensations.
With these results we could see that 63% of this sample was high involved even before the beginning of the crisis. Our important sample was that one which has suffered changes; in this survey we had 41% of people who noticed a change in their buying behaviour when searching for information.

**Graphic 4-15: Have they noticed that they search more information since the beginning of the crisis?**

![Searching for information](image)

We also wanted to know if they were loyal or not to their national brands. Thus, we asked if they had thought to switch brand to try store brands, after having started the crisis. In this case, the result was totally the opposite than with the store brands consumers. From the 22 people who did not buy store brands, 59% of people (13 cases) answered that they were hesitating for buying or trying store brands; only 41% of people (9 cases) were loyal to national brands; see Graphic 4-16.

**Graphic 4-16: Is there any possibility to change to store branded products?**

![Possible change to store brands](image)
Store-branded products had normally lower prices than those products labelled with private brands. This is the reason why they constituted a good opportunity when trying to save money, which was one of the principal concerns of people during crisis periods. Consumers knew that they should avoid wasting money, and when being asked for the percentage of money that these kinds of brands would allow them to save, we wanted to know what the leader brands buyers thought they could save if they would switch to store brands. 50% of the people (11 cases) thought they would save only 25% of their shopping costs. Another 41% (9 cases) answered they would save around 26-50% in their shopping. The rest answered that they could save around 51-75% and more than 76%, with 4.5% in each one (1 response each). In this case, it is seen an unimodal, and skewed to the right, asymmetry. Below, in the part of store brand buyers are also described their perceptions about the savings; see Graphic 4-

Graphic 4-17: How much do you think would you save buying store brands’ products?

![](image)

17.

4.4. Store brands consumers

Concerning the people who keep their loyalty with their store brands; 78.21% of people who buy store brands (78 cases) were loyal to their preferred store brands and the 21.78% (22 cases) were
not loyal to any store brand. The high percentage of people who answered “Yes” can lead us to think that these kinds of brands have a high perceived value and they liked it too much; see Graphic 4-18.

Chapter 4-18: Do you feel loyal to any store brand?

We wanted to know what the degree of involvement they had and if they had changed their pattern searching for information and on the part of the store brand buyers we got 36% that had a high involvement but they had changed to a higher level; 39% also had a high involvement but they had not noticed any change; 3% of people had a low involvement in their purchases but the crisis had not made any change in their patterns; 22% had a low involvement when buying but after their crisis, they changed their behaviour becoming more rational buying carefully; see Graphic 4-19.

According to these results 75% of the store brands buyers were high involved when looking for information even before the crisis arrived to Spain. What is also important is that 58% of store brands

Graphic 4-19: Have they noticed that they search more information since the beginning of the crisis?
buyers had experienced a change in their buying patterns.

Regarding to the preferred store brands, it is important to highlight the importance for Mercadona to launch store brands. As the answers showed the three brands launched at this supermarket represent 64% of the total, being Hacendado with a 52%, the principal one which wrap food products. Eroski also seemed to be an important admitted store brand with 13%. This is thanks to the strategy they followed. Día continued with an 11% and after an 8% of them selected Carrefour. Others such as Marca guía, Auchan or Hipercor had less importance; see Graphic 4-20.

![Preferred store brands](graphic.png)

**Graphic 4-20: Which is your preferred store brand?**

It is also important to highlight which types of store-branded products consumers were keener on purchasing. In this case, responses had been very varied; seeing on Graphic 4-21, with only slight

![Products that consumers are disposable to buy in store brands](graphic.png)

**Graphic 4-21: Which products are you disposable to buy in store brands?**
percentage differences, showing that Spanish households consume all type of store-branded products. We can observe that food products (62% in total) were very popular among store brands’ consumers as well as other products such as hygiene products (14%) or cleaning materials. It should also be remarkable that drinks (6%) had not the same popularity when purchasing store-branded products.

To know what the perception of the people about their savings by buying store brands was, we asked it in a multiple choice question; 38% answered less than 25%; 50% answered between 26-50%; 11% of them answered between 50-75% and only 2% of people answered more than 75%; see Graphic 4-22. Thus, it is seen an unimodal, and skewed to the right, asymmetry; see Graphic 4-22.

We wanted to take a step forward when asking respondents if they had increased their consumption of store-branded products since the beginning of the crisis so as to save even more money. The majority of them confessed that the quantity of store branded products bought had not been modified at all in their purchases. The principal reason given (27% of the cases) was that they had increased it but not in a high level. Another high percentage (25% of the cases) is that they had already bought a lot of this type of products before the crisis started so they continued acting in the same way. This answer is followed by those respondents who tried to buy store-branded products always they
could (25% of the cases). It is also important to remark that 19% of the habitual consumers of store brands’ products had not increased the quantity of these products purchased; see Graphic 4-23.

**Graphic 4-23:** Have you increased the quantity of store-branded products purchased since the crisis appeared?

![Pie chart showing the percentage increase in store-branded products purchased.](image)

What is also important to highlight is that people who bought store brands did it with a big percentage, as it is shown in the Graphic 4-24, 74 people answered they bought around 70-90% of store labelled brand products in total when they went shopping. It is a heavy percentage which shows the high loyalty the consumers had for those products. On average our sample bought a 74% of store branded products in their shopping budget. Only 5 people answered less than 40%.

**Graphic 4-24:** Relating to your shopping, which is the percentage of your store-branded purchases?

![Bar chart showing the percentage of store brands purchased.](image)
Finally, we wanted to know the approach that Spanish households would adopt in the near future, when the crisis will be over. The possible answers of this question covered different approaches such as carrying on with buying store-branded products or, on the contrary, switching to leader brands. According to the survey’s results, store brands would have great success in the future, as with the exception of only one respondent, all of the other questioned households affirmed that they were going to continue buying store-branded products (99 cases). The majority of them confirmed that they were already buying store brands before the beginning of the crisis, but there were also other consumers that confessed having noticed that store brands offered better price-quality relation at least in certain types of products. 20 persons said that they had noticed about the better relation price-quality and they were going to continue buying store brands. Other 16 people said that they were going to continue buying store brand products but only for certain products.

Graph 4-25: What will you do after the crisis?
5. ANALYSIS

In this chapter we analyzed and interpreted the results obtained in the survey that had been previously explained in the empirical material, relating them to the theoretical framework presented in second part. By doing a deepen analysis of both primary and secondary data, the research question could be after answered, achieving the purpose of our thesis.

5.1. Reduction in consumption

Before carrying out the survey, we thought that there exists a relation between the earnings of a household and its expenses, since people having higher purchasing power were expected to spend more in goods and services. With the aim of demonstrating this affirmation, we analyse the empirical results in Table 5-1. As we observe, there is a strength relation between the annual earnings that a household obtained and its monthly expenses. Households earning less than 7,000€ per year did not spend more than 1,200€ (only two exception to this affirmation), even more, they normally spent around

<table>
<thead>
<tr>
<th>Expenses per month / Earnings per year</th>
<th>Less than 300 €</th>
<th>301€ to 600€</th>
<th>601€ to 1200€</th>
<th>1201 € to 2000€</th>
<th>2001€ to 3000€</th>
<th>More than 3001€</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 7,000 €/year</td>
<td>4</td>
<td>13</td>
<td>5</td>
<td>2</td>
<td></td>
<td></td>
<td>24</td>
</tr>
<tr>
<td>7.001 - 14,000 €/year</td>
<td></td>
<td>8</td>
<td>14</td>
<td></td>
<td></td>
<td></td>
<td>22</td>
</tr>
<tr>
<td>14.001 - 28,000 €/year</td>
<td>1</td>
<td>8</td>
<td>15</td>
<td>13</td>
<td>1</td>
<td></td>
<td>38</td>
</tr>
<tr>
<td>28.001 - 42,000 €/year</td>
<td></td>
<td>1</td>
<td>5</td>
<td>14</td>
<td>5</td>
<td></td>
<td>25</td>
</tr>
<tr>
<td>42.001 - 84,000 €/year</td>
<td></td>
<td>2</td>
<td>3</td>
<td>5</td>
<td>2</td>
<td></td>
<td>12</td>
</tr>
<tr>
<td>More than 84,001 €/year</td>
<td></td>
<td></td>
<td>1</td>
<td>1</td>
<td></td>
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<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>5</td>
<td>30</td>
<td>41</td>
<td>33</td>
<td>11</td>
<td>3</td>
<td>123</td>
</tr>
</tbody>
</table>

Table 5-1: Relation between Expenses per month / Earnings per year
301-600€. Contrary, those households obtaining more than 84,001€ per year (2 cases) spent a minimum of 1,201€ per month. Relating to the 38 households who affirmed earnings around 14,001-28,000€ per year; almost half of them (15 cases); spent monthly around 601-1200€ and another high percentage spent between 1201 and 2000€. Continuing with these relations, those households earning on average 28,001-42,000€ (25 cases) spent normally a little bit more than the previous ones, 1,201-2000€ per month (14 cases).

According to the correlation between these two variables, we can see in Graphic 5-1 it is \( R^2 = 0.617 \), which show us that the explained variable (expenses/month) is well explained (61.7%) by the explanatory variable (earnings/year). Taking into account the “b” or slope of the line which is +1.0318, what means that there is a positive linear dependence between both variables. This data was important due to the reliability it gave to our study.

As a consequence of this affirmation, it seemed that a reduction in the middle class Spanish households’ purchasing power would affect their consumption patterns, lowering their consumption level or switching to cheaper brands. Consumers’ purchasing power could be reduced by several causes, but during the past years in Spain, the majority of the cases affected had the origin in unemployment.
The unemployment rate in this country was above the 20%, which constituted a really hard figure. The results of the survey confirmed this difficult reality too; almost 33% of our respondents had at least one of the members of the household unemployed and, even more, in three cases this situation was worse being all the household’s members unemployed. Thus, we could affirm as we had previously explained in the framework section that middle class Spanish consumers were experiencing financial difficulties.

McGregor (2011) affirmed that consumer self-confidence had been decreased during the past few years. Nistorescu & Puiu (2009) explained that the society is now affected not only economically but also psychologically. In addition, taking into consideration the results obtained by CIS, 45.7% of the people surveyed confessed that economic problems constituted their second principal concern, after unemployment (Ethic, 2012). We also wanted to determine to what extent this statements were true by asking our respondents the degree of their economic concern. The results of our empirical study confirmed them in a clearly way; only 5 respondents affirmed that they were not worried about their financial situation. However, the rest of the cases confessed being worried. It is also significant to remark the fact that 33 respondents (almost the 27% of our sample) were extremely worried.

According to Belk (1975), some situational factors such as personality, gender, brand image and so on affect consumers’ buying behaviour. As a factor of an individual personality, age has to be taken into account. This is why we considered that to compare the age with the economic concern was important to rely on this affirmation; see Table 5-2. Analysing our results we can see that younger consumers were more worried about their future; this is obvious because living in a country where there

<table>
<thead>
<tr>
<th>Age/Concern</th>
<th>16-24</th>
<th>25-45</th>
<th>46-65</th>
<th>More than 66</th>
<th>Total</th>
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<tr>
<td>Not worried</td>
<td></td>
<td></td>
<td>4</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Slightly worried</td>
<td>6</td>
<td>4</td>
<td>3</td>
<td>1</td>
<td>14</td>
</tr>
<tr>
<td>Worried</td>
<td>8</td>
<td>15</td>
<td>7</td>
<td>2</td>
<td>32</td>
</tr>
<tr>
<td>Quite worried</td>
<td>12</td>
<td>14</td>
<td>13</td>
<td></td>
<td>39</td>
</tr>
<tr>
<td>Extremely worried</td>
<td>3</td>
<td>21</td>
<td>8</td>
<td>1</td>
<td>33</td>
</tr>
<tr>
<td>Total</td>
<td>29</td>
<td>54</td>
<td>35</td>
<td>5</td>
<td>123</td>
</tr>
</tbody>
</table>

Table 5-2: Relation between age / people concern
is a high percentage of unemployment provoked them some doubts about their near future, even more when the unemployment figures for young people is above 50% (Abellán, 2012). This is consistent when comparing it with the answers we got, 52% youth people were at least quite worried; speaking about the ages between 25-45, we can see they were even more worried; 92% were at least worried and 39% were extremely worried and so we can qualify this range of age as the most worried of our sample. On the other side, the less worried about the economy of the country were the oldest people, those who had not to work anymore, retired people, thanks to the pension government gave them; this created certain security to themselves. 20% of them were not worried and 60% are slightly worried or worried and only another 20% were extremely worried which was clearly contrary to other younger people.

In order to deepen the analysis, we considered in the Table 5-3 the possible relation that exists between unemployment and economic concern which could be useful. We can observe that there was also a direct relation between the number of persons unemployed in each household and the degree of concern of it. Even if the majority of the households who submitted our survey were worried about their financial situation, the degree of concern increased when more members of the household were unemployed. For instance, only with one exception, if more than one household’s member was unemployed, these households were really worried. We can conclude that during economic downturns and growing unemployment rates periods, there was an increase in the population’s degree of concern that could bring significant changes in the consumer buying behaviour.

Table 5-3: Relation between Concern/Number of persons unemployed

<table>
<thead>
<tr>
<th>Concern/Number of persons unemployed</th>
<th>Not worried</th>
<th>Slightly worried</th>
<th>Worried</th>
<th>Quite worried</th>
<th>Extremely worried</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>5</td>
<td>12</td>
<td>25</td>
<td>23</td>
<td>18</td>
<td>83</td>
</tr>
<tr>
<td>One</td>
<td>2</td>
<td>6</td>
<td>11</td>
<td>7</td>
<td></td>
<td>26</td>
</tr>
<tr>
<td>More than one</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>11</td>
</tr>
<tr>
<td>All unemployed</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>Total</td>
<td>5</td>
<td>14</td>
<td>32</td>
<td>39</td>
<td>33</td>
<td>123</td>
</tr>
</tbody>
</table>
It is commonly believed that a consumer would become more money minded when going through economic difficulties as we noted previously in the framework section. Also, the results of our empirical analysis confirmed this affirmation. When asking whether they had reduced or not their consumption levels, only 31 respondents confessed maintaining them. The majority of the respondents confirmed that they had changed their buying behaviour during the past years. What is more relevant is that 80 respondents confessed spending now less on entertainment; 27 respondents also confessed postponing those purchases that involved high expenses. Buying patterns had consequently changed; consumers looked for those products that were more necessary, avoiding those purchases that can be postponed or reduced. Besides, the way in which these changes had occurred depended on the degree of concern experienced by the households. By analyzing Table 5-4 we can observe that there was also a relation between the degree of concern and the measures undertaken to reduce consumption. Those respondents who were not worried about their economic situation continued to consume at the same level. Respondents who were slightly worried, in the majority of the cases continued to consume at the same level too, or reduced their consumption in entertainment, which constituted the easier way to cut expenditures, but did not change their diet habits. What is more, the households the most favourable to

<table>
<thead>
<tr>
<th>Cut consumption/Concern</th>
<th>Continue consuming at the same level</th>
<th>Changed my diet</th>
<th>Spend less on entertainment</th>
<th>Postpone those purchases that involve high expenses</th>
<th>Try to cut current costs</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not worried</td>
<td>5</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>Slightly worried</td>
<td>9</td>
<td>0</td>
<td>6</td>
<td>1</td>
<td>1</td>
<td>17</td>
</tr>
<tr>
<td>Worried</td>
<td>11</td>
<td>5</td>
<td>20</td>
<td>6</td>
<td>3</td>
<td>45</td>
</tr>
<tr>
<td>Quite worried</td>
<td>5</td>
<td>3</td>
<td>31</td>
<td>12</td>
<td>8</td>
<td>59</td>
</tr>
<tr>
<td>Extremely worried</td>
<td>1</td>
<td>10</td>
<td>23</td>
<td>8</td>
<td>10</td>
<td>52</td>
</tr>
<tr>
<td>Total</td>
<td>31</td>
<td>18</td>
<td>80</td>
<td>27</td>
<td>22</td>
<td>178</td>
</tr>
</tbody>
</table>
change their diet were those who were extremely worried about their economic situation. To conclude, we can observe in the Table 5-4 that when deciding where to reduce consumption, middle class Spanish households preferred first to spend less on entertainment, then they decided to postpone those purchases that involve high expenses and finally they were more reluctant to cut current cost or change their diet habits.

According to the theory, Amalia & Ionut (2009) presented in their studies a division of people in four categories depending on their reaction against the crisis. Analysing the variables of concern, consumption change and the information searched we had been able to find those different type of people. First of all, we got 14 people who had had a rational behaviour due to their low concern about the crisis, the low attitude against the crisis without changing their purchases and continuing searching the same information as before without any increase. Secondly, looking for people with a concerned behaviour, those are 16 people of our sample who were worried about the future economy and without changing any pattern in information searching and consumption. For the panicked consumers (61 in our sample), we considered those who were worried about the economy resulting in an increase of their information research. To finish 14 people of our sample were considered prudent consumers having no change when looking for information due to that they had always searched information and now they continue with the same patterns and so we thought they were less worried about the economy due to

Graphic 5-2: Spanish consumers’ profile in a crisis environment
their previous caution. Rest of the sample, 18 people, could not be defined in none of the several profiles. Thus, we can say that Spaniards were mostly panicked consumers who were affected by the crisis, being sensible to that situations. We thought it was because of the huge change that had been produced in Spain coming for a high growing rate where the people were not money minded and had been suddenly shocked by the bad circumstances; see Graphic 5-2.

These results could also be applied to Maslow’s hierarchy of needs. As it had been previously explained in the framework section, this author affirmed that individual needs can be organized into a hierarchy of five levels, being those of the bottom the first to be satisfied; see Figure 5-1. Once the physiological needs are fulfilled, the individual would try to satisfy the safety ones and so on. Before the crisis, the majority of the middle class Spanish households had achieved to satisfy both physiological and safety needs, so they were putting more effort in the rest of needs. However, due to the economic downturn and the loss of their job, a high percentage had seen their expectation reduced, being now concerned on trying to satisfy their safety needs, for instance by obtaining again a secure job that would bring them economic stability. Social or esteem needs that could be fulfilled for example through entertainment or through buying a luxury car respectively, had been taken into consideration.

5.2. Becoming more rational

As we explained before, impulsive buying is motivated by feelings and shows a low degree of involvement (Laros & Steenkamp, 2005). Analysing our results we noticed that planned buying
behaviour had been taking more importance in Spanish consumers as they searched more information than before the crisis; 58% in store brands’ consumers; 41% in leader brands’ consumers. Anyway 75% of store brands’ consumers (64% in the case of leader brands’ consumers) had already searched much information before going shopping; see Graphic 5-3.

According to Delgado (2008) and as it had been previously affirmed, consumers are expected to be more rational and less impulsive when there is an economic downturn. This affirmation was also supported by our empirical study since only 8 respondents answered that they continued to be impulsive when deciding which products to purchase. A high percentage of the respondents confessed having always looked for much information (47 cases). But what was really relevant were those cases that had

Table 5-5: Changes in consumers’ types of decision

<table>
<thead>
<tr>
<th>Involvement\Rationality</th>
<th>High (Thinking)</th>
<th>Low (feeling)</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>Extensive decision-making</td>
<td>Image decisions</td>
</tr>
<tr>
<td>Medium</td>
<td>Limited decision-making</td>
<td>Sensual</td>
</tr>
<tr>
<td>Low</td>
<td>Programmed</td>
<td>Impulse</td>
</tr>
</tbody>
</table>
experienced some changes since the beginning of the crisis; 59 respondents confessed to have always looked for information but also having increased their information search before deciding to buy a product, and 25 respondents confessed being before more influenced by sensations, but becoming more rational after the beginning of the crisis. Thus, taking into analysis the model of Doyle & Stern (2006), we noticed that consumers had changed their buying behaviour from more sensual and impulsive behaviour to a more extensive decision-making behaviour; see Table 5-5. Even products related to programmed behaviour required lately more information before being purchased. This conclusion supported also the idea defended by Mansoor and Jalal (2011) that affirmed that those programmed or limited decision-making process turned into an extensive decision-making process during crisis period due to the fact that they were worried economically.

An extensive decision-making behaviour requires more time to search for the information needed. Consequently, the decision-purchase process becomes larger. Comegys & Hannula (2006) declared that information concerning available products is needed with the aim of evaluating alternatives in the most efficient way. Kotler and Armstrong (2010) affirmed that the evaluation of the alternatives process depended not only on the individual consumer but also on the specific buying situation, in this case a reduction of income due to a crisis period. Nistorescu and Puiu (2009) affirmed that consumers compare the different products by price and quality in the evaluation process. Our empirical analysis supported these affirmations too. When asking a consumer which two products’ attributes they looked for in the first place, almost all our respondents answered that they were interested in the quality (104 favourable responses) and price (109 cases) of the different offers so that they could after evaluate the different options available. What is more, as it is noted in the theory framework section, the degree of information needed depends on the perceived risk of the purchases (Comegys & Hannula, 2006). During economic downturns, all purchases became more risky for those increasingly concerned consumers. As a consequence, we concluded that “Information search” and “Evaluation of
alternatives’ stages had necessarily increased their importance in the buyer decision process as the Figure 5-2 that had been previously developed by Kotler & Armstrong (2010).

5.3. Switching to store brands’ products

Schutte (1969) defined store branded products as those products that are owned and branded by retailers whose main purpose is distribution rather production. According to Moreno (2009), Eroski was the first who launched its own brand in 1977. Store branded products were at first considered as low-priced products. However, during recent years retailers had achieved to change this idea and offer more quality products in the market (Anselmsson, Johansson, & Persson, 2008). Reyes (2006) affirmed that from some studies it can be revealed that nowadays many consumers had the conception that private-labelled brands offer products with the same quality standards than national brands do. Thus, consumers were increasingly moving towards these brands which had achieved higher market shares in the past years. This change in consumers’ minds can also be explained through the empirical analysis. When asking to leader brands’ buyers for the reasons why they did not buy store brands’ products, only a 9% answered that it was because they perceived them as having low quality, showing that even if they did not buy store-branded products they did not have the idea that those brands implied low quality. The principal reason for their decision was that they were really satisfied with the brands they purchased. This is why we can say that the small sample of people (64% of leader brand consumers) who did not buy store brands keeping their preferred leader brands did not switch because of their satisfaction which means that they were loyal to leader brands since they achieved their expectations. However, 59% of
leader brands’ consumers were willing to switch to store brands for trying to save some money which implies that price is a good determinant for switching to store brand products. By crossing data between these two variables we realised that 27% of leader brands’ consumers who did not try store brands’ products because they were satisfied also thought about switching as a measure to save money which increase the validity of this affirmation.

What is more, as Montaner (2008) affirmed, the greater retailing concentration that had occurred in the past decades, favoured the expansion of store brands. Large supermarkets are the most preferred when going shopping. Through the empirical study, we could note that middle class Spanish households had clearly preferences when talking about retailers, being the most appreciated Mercadona, Eroski-Caprabo, Carrefour and Día. Mogelonksy (1995) declared that if a customer clearly support and trust in the retailer, he is expected to better support the retailer’s private brand. Thus, those private brands offered by the previously mentioned retailers were supposed to be the most common among consumers. Our theory was confirmed after gathering our primary data. Hacendado (52%) became the most preferred store brand by middle class Spanish consumers. The other store brands offered by Mercadona continued to be well appreciated among consumers as it is showed by the 64% of the answers computed if we grouped all these brands (Hacendado, Deliplus and Bosque Verde). Besides, the store brands offered by Carrefour (8%), Eroski-Caprabo (13%) and Día (11%) were less important. These results could have even more consistency due to the fact that almost 80% of store brands’ consumers affirmed being loyal to a specific private-label brand.

Mogelonsky (1995) also affirmed that private label brands were becoming a reference when buying products such as cheese, milk or paper napkins. In addition, in a study carried out by ACNielsen (2005), it had been confirmed that refrigerated food, frozen food and paper products were bought in the majority of times through store brands. From the survey, this idea can be supported but not in a general way; refrigerated food, frozen food and dairy products computed altogether the 33% of responses.
Stationery products were selected only in the 4% of the cases. Consequently, we can note that even if this kind of products were so relevant when talking about private brands’ sales, it could not be said that among middle class Spanish households there were the only reference as other types of private-label branded products related to hygiene (14%) or snacks (12%) were also well appreciated by these consumers. As it has been previously explained in this section, in general, all middle class Spanish households had become more rational since the instauration of the crisis. However, it is necessary to remark that existed some differences between leader brands’ consumers and store brands’ ones. When asking about the information gathered before deciding which products to purchase, in a huge different percentage, leader brands’ consumers confessed being more impulsive than store brands’ ones. Also, store brands’ consumers looked for more information since the beginning of the crisis, so that after they were less influenced by sensations than leader brands’ consumers.

Not only could we observe higher degree of rationality in store branded product’s consumers by looking to the information gathered. There were also some differences in the product’s attributes selected. Baltas (1997) affirmed that store brands’ consumers are expected to be more price-cautious. This affirmation can be also supported through the empirical analysis. Firstly, it is necessary to remark the fact that from the 123 households who had responded to our questionnaire, only 22 affirmed being keener on leader brand’s products. That is why we could not analyse the Table 5-6 in absolute figures without taking into consideration the weight of each type of consumers in the responses obtained. For instance, having 2 households who prefer leader brand’s products and looking for design when

<table>
<thead>
<tr>
<th>Type of consumer /Product's attributes</th>
<th>Store brands</th>
<th>Leader</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Functionality</td>
<td>7</td>
<td>4</td>
</tr>
<tr>
<td>Quality</td>
<td>86</td>
<td>18</td>
</tr>
<tr>
<td>Post-purchase service</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Price</td>
<td>97</td>
<td>12</td>
</tr>
<tr>
<td>Brand</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Size</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>
evaluating the different offers, is more significant than those 2 households who prefer store brands and look for design too. Thus, we can conclude that the importance given to product’s attributes such as design, functionality, brand, post-purchase service and size by leader brands’ consumers was bigger than in store brands’ consumers, being the last ones more focused on the relationship price-quality.

However, and besides these differences during economic downturns consumers became more money minded. Flatters and Willmott (2009) explained that during financial crisis people simplify their demands, economize their expenditure and switch brands searching for cheaper prices. Nistorescu and Puiu (2009) defended the idea that financial crisis made consumers switch to cheaper brands focusing on their necessities. Consequently, leader brands’ consumers were expected to give more importance to the product’s price, being then more attracted by store brands so as to save money. Store branded products are considered to be a good election for saving money since, as it had been previously confirmed, they offered better quality-price relation. Zielke and Dobbelstein (2007) maintained that the higher the difference between national and store brands’ prices, the more private-labelled products were sold. Dick, Jain and Richardson contradicted this affirmation claiming that if a product was sold at a really cheap price, consumers would consider it to be an inferior quality product and could not buy it. Consequently, and taking into consideration the theory of these authors, huge price differences were not a good strategy for store brands. When carrying out our study, we wanted to find out which idea was better supported by middle class Spanish households. We decided to ask private brands’ consumers how much they thought they could save by purchasing private-labelled products and to store brands’ consumers how much they actually save. Both type of consumers, with only little differences since the perception of the savings was slightly bigger among store brands’ consumers, confessed that when talking about purchasing store brands’ products, they could reach to save between 0-50% of the money expended. So, as we can observe in the Graphic 5-4, our empirical study supported better the idea of
Dick, Jain and Richardson because middle class Spanish households did not decide to buy really cheap products as it could be perceived in their saving figures.

As we also said in the second part of this thesis, according to Organización de Consumidores y Usuarios (2011), the savings that consumer can achieve by buying store branded products could rise until 45% of the shopping costs. As it is normal, store brands’ consumers knew it was better than leader brands’ ones and we can see it if we compare both in Graphic 5-6. As we can see, leader brand consumers had less expectations when asking about the savings they could achieve if buying store brands answering 50% of them between 0-25% and 40.91% between 26-50% moving on the average to lower percentages. On the other hand, store brands’ consumers had higher expectations about it; 49.5% of them answered between 26-50%; less people answered between 0-25% but a relative high percentage (11%) answered between 50-75% and so we can conclude that they had too high savings’ expectations (above 45% price) contrary to leader brands’ consumer who expected much lower savings (below 45% price) on costs if they switch. Another time we can say that an important reason why the people kept buying leader brands’ products is because the expectations about prices were not as high as it would be, resulting in a lack of information.

Graphic 5-4: Savings’ expectations on store branded products
In addition, as we had explained before in the framework section, store brands were adopting some good measures since the beginning of the crisis so as to attract consumers; for instance, Eroski with “Eroski basic” a cheaper product line, and Mercadona by lowering its prices around 14% since 2009 (just-food.com, 2010, Belloso & García, 2012). These measures along with all that had been previously explained had benefited the strong market position that private label brands were experiencing in the last years, and even more since the beginning of the crisis. Moreno (2009) affirmed that because of the financial crisis the store brands sales had never stopped growing. We wanted to support this idea by asking those respondents who were keener on leader brands whether they had thought about moving to store brands during the crisis period. More than a half of these respondents, concretely 13 households responded affirmatively to the question proposed. In addition, another question, this time asked to those respondents who were keener on private-label brands, was proposed to discover if this type of consumers had increased the percentage of the products bought by choosing store brands. Again a high percentage of respondents answered that they had chosen even more private label brands when buying their products, even if they varied in the extent of this change. As a consequence of the results obtained in these two questions, it can be concluded that private label brands increased their sales since the beginning of the crisis.

If in 2008 Spain was the 4th European country relating to store brand’s market share, their importance was higher during the past years due to the huge increase in sales of this type of brands that had been above the European average (Montaner, 2008, Delgado, 2008). We wanted to analyze if this expansion would continue in the future as it is defended by some other authors. When asking about the approach that middle class Spanish households would adopt in the future, with only 2 exceptions, the rest of the households affirmed that they were going to continue buying store branded products. Thus, we can conclude that store brands’ sales were going to experience an important rise in the following years because once a consumer had tried them he was likely to continue purchasing it. It allowed us to
affirm that store brands were taking advantage of the crisis time as it leads people to try these products, convince them and it convert them into current consumers being loyal. Finally after crisis time, customers continue buying store brands thanks to the perceived quality it brings and so they do not switching to leader brands another time what means that store brands’ market share rise up during crisis and maintain it or grows slower during growing periods.
6. CONCLUSION

In this chapter, the general findings of our paper were exposed, showing the contributions that it can make to Spanish retailers. After having done the analysis, we had all we needed to answer the research question in order to achieve the purpose of our thesis. In addition, some suggestions for possible further researches, taking also into account the limitations of our work, were included.

6.1. Conclusion

The purpose of our study was to evaluate whether there had been a change in the Spanish consumer buying behaviour because of the financial crisis that this country was experiencing the last years. After researching for secondary and primary data we could draw some conclusions all of them confirming that there existed some changes; it can be said that consumers had reduced their consumption, becoming more rational when evaluating the possible alternatives and, consequently, moving towards store brands’ products.

First of all, there had been a reduction in the consumption due to the reduction of the salaries. People had become more worried because of the unemployment among other reasons, especially people between 25 and 45 years old. Thus, they first mostly cut on entertainment costs. Moreover, Spanish consumers, because of the drastically change, were panicked consumers who were worried about the economy and searched more information, with less expectations, being concerned on trying to satisfy first their safety needs.

Secondly, Spanish consumers had changed to be more rational. The planned buying behaviour had been taken into practise, searching more information than before. Their decisions had changed from
sensual and impulsive behaviour to extensive decision-making behaviour which is more rational and they were more involved with the products. Since people were rational, they followed several stages to take a decision, this is why during crisis periods they had become more money minded, focusing on the information research and the evaluation of different alternatives.

Lastly, consumers were switching to store brands. Although there were still people who were satisfied with leader brands, when they were concerned about the savings they could achieve if switching to store brands, some of them were also thinking about doing it. In fact, store brands’ consumers were more loyal to these brands that leader brands’ consumers who were more favourable to brands switching after having tried private labelled products. All these changes had a common point, the relation price-quality which was the most important characteristic when going shopping. Also, store brand consumers had higher expectations about savings in store branded products having good perceptions. Contrary, leader brand consumers had fewer expectations about savings and this is one of the reasons why they did not switch. However, when they switched to store brands, they were normally satisfied and kept loyal to these products. Thus, store brands increase market share during the crisis time and after they maintain it or grow slower during growing periods as we can observe from the results obtained. Consequently, we thought companies should handle plans for promoting store branded products like offering to taste them and distributing information about the savings they could achieve if switching.

The results of this study can be very useful for retailers, especially for those offering private label brands, being really relevant for different purposes. Thanks to this thesis, companies would be able to understand the new consumer patterns, for instance to better know what middle class Spanish households are looking for when buying nowadays and the future tendencies of consumer behaviour so that they could take them into account when deciding which marketing strategies they want to follow.
6.2. Limitations

When developing the thesis, some limitations were encountered. We assumed that it was impossible to avoid some limits even though we tried to reduce them as more as possible so that none of them could damage the reliability of our work in such a manner that it was not reliable.

Firstly, due to the fact that we were working on a situation that was happening in Spain at the same time that this research was being carried out, we conducted a survey to get the possible answers concerning the current situation. However, we considered that the possible changes that middle class Spanish households were experiencing could be better evaluated once the economic crisis finishes, as their buying behaviour could change in the near future, since both consumers’ behaviour and the economic situation were changing really fast.

Secondly, relating to the secondary data collected, we normally used the resources available at Halmstad University, such as the university online databases and the library. It can constitute a limitation since we could have obtained more academic articles by enlarging our searching methods. Also, language could constitute a limitation as we were able to understand only articles written in English, French and Spanish. It had not been a problem since the majority of the articles that the university databases grouped were in English. However, this limitation was more important when going to the library where a lot of books were written in Swedish, being impossible to be read.

Finally, concerning the collected primary data, other limitations could be noted. The primary data of the research was gathered through a survey answered by a sample of the Spanish households. However and despite the efforts made to spread the survey to reach as much households as possible, the sample obtained represented a small percentage of the total middle class Spanish households. It could be explained by the fact that we faced a lack of both time and channels when trying to spread the questionnaire. Conducting the research to more households could have given additional information that
would provide us better results, ensuring higher reliability. Nevertheless, as we had previously defended, the findings obtained through the amount of questionnaires completed had high relevance, showing that the sample was valid, allowing us to draw some conclusions from our research. In addition, although we had respondents from the whole Spain, many of the consumers who answered were from our origin regions: Navarra and Islas Baleares. Better results could have being obtained if the sample was more varied through the Spanish territory having the same relative weights. Finally, even though all the age groups were represented in our study, it could have been better to obtain more responses coming from persons aged more than 65.

### 6.3. Further research

This thesis provides retailers with some conclusions that will allow them to better define their marketing strategies. However, as we stated in our thesis, even if this economic downturn appeared five years ago, since last year the situation had been worse. That is why our research was made in a new economic environment which could make some future researches necessaries so that to evaluate the new trends in Spanish consumers’ buying behaviour. Therefore, this research could be useful as an initial point for more studies whose aim would be to complement the current one, for instance by evaluating the changes in consumers’ buying behaviour once the end of the crisis, as results could be different. Even more, the same research question could be studied by extending the number of households questioned in order to obtain more information, or by gathering qualitative data among retailers to analyze if they had noted these changes, for example by adopting different strategies.

Moreover this research could also be done from the point of view of the retailers by interviewing them. Thus, they could add more information which could also be interesting not from the point of what the consumers think but with real figures companies could gather from their databases.
about their sales, changes in consumption and so on. Furthermore the results can be compared with this thesis in order to arrive to another conclusion more complete.

Furthermore, because of the lack of information we perceived from people who did not buy store branded products such as the savings they could obtain, quality and so on, we thought could be useful to make a research to find how could be possible to promote these kind of brands to consumers such as an integrated marketing communication plan.

In addition, we considered that the success of store brands in Spanish retailing could be better evaluated through specific studies concerning this topic.


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APPENDIX I: CONSUMERS’ QUESTIONNAIRE

Consumer behaviour changes as a consequence of the financial crisis in Spain

We are Iranzu Ibáñez, studying in the Public University of Navarra (UPNA), and Adrian Cánovas, studying in the Universitat de les Illes Balears, currently studying in Halmstad University (Sweden).

We are developing a research to determine the influence that the current financial crisis has had in consumer behaviour, for example, modifying the consumption level, the brands or products’ characteristics chosen.

For the approval of our thesis and the obtaining of the Bachelor in Business and Administration, your collaboration in answering this questionnaire is essential for us. The duration of the questionnaire is not longer than 4 minutes. This is a non-profit work; the only benefit that we receive is strictly academic. If you want to help us, please send this link to your contacts so that we can gather more responses. Thanks you so much for collaborating with us.

First question asked to know whether a respondent belongs to our sample or not:

1. Are you one of the persons in charge of going shopping at home?
   - Yes
   - No
Only the respondents who have given a positive answer to this question were allowed to see the rest of the questions. For those answering "No", a page thanking them for their participation was showed.

**Common questions asked to all respondents:**

2. **Gender?**
   - Male
   - Female

3. **How old are you?**
   *Select your range*
   - 16-24
   - 25-45
   - 46-65
   - More than 65

4. **Region**

5. **Current profession**
   *If you are unemployed, write UNEMPLOYMENT, if you are studying, write STUDENT*

6. **How many persons are in your home?**
   - 1
   - 2
   - 3
   - 4
   - 5
   - More than 5

7. **Earnings per year in your home**
   *Including all the salaries and other rents such as those coming from banks revenues...*
   - Until 7000€/year
• 7.000-14000€/year
• 14.001-28.000€/year
• 28.001-42.000€/year
• 42.001-84.000€/year
• More than 84.001€/year

8. **How much do you spend?**
*Including all expenses such as light bills, entertainment, food...*

• Less than 300€ per month
• 300-600€ per month
• 600-1200€ per month
• 1200-2000€ per month
• 2000-3000€ per month
• More than 3000€ per month

9. **How many times do you go shopping?**

• Once per month
• Approximately once per fortnight
• Once per week
• Twice per week
• More than twice per week

10. **When you buy, what is for you the most important?**
*Select 2*

• Design
• Functionality
• Quality
• Post-purchase service
• Price
• Brand
• Size
• Other:

11. **Select the place where you usually go shopping**

• Lidl
• Mercadona
• Día
• Eroski-Caprabo
12. What brands do you usually buy?

Store brands are those brands sold under the retailer’s name. For instance, Hacendado, Deliplus or Bosque Verde corresponds to Mercadona, EROSKI corresponds to Eroski.

- Store brands
- Leader Brands

After this question consumers are divided in two groups related to their main purchases.

Questions asked to leader brands buyers

13. Why you don’t buy store brands?

- There are low quality brands
- I don’t trust in store brands
- I don’t know store brands
- Store brands don’t satisfy my needs
- Store brands’ products are too basic
- I am really satisfy with the brands I purchase

14. In comparison with before the crisis, do you look for more information now when you are buying a product rather than before?

- Yes, I have always looked for information, but now I do it even more before buying the product.
- No, I have always looked for lot of information
- No, I am very impulsive; if I see something I like, I buy it.
- Yes, before I was more influenced by sensations, now I am more rational.
15. Are you worried because of your economic situation?
*Choose between 1-5, the level of your concern (1: no concern, 5: too much concern).*

- 1
- 2
- 3
- 4
- 5

16. Is there any member of your home unemployed?

- Yes, only one
- Yes, more than one
- Yes, all of us are unemployed
- No

17. Have you reduced your consumption as a consequence of the crisis?

- Yes, I try to spend less on entertainment (travels, cinema, restaurants…).
- Yes, I try to postpone those purchases that involve high expenses.
- Yes, I try to cut normal costs (light, water, gas…).
- Yes, I have changed by diet (now I look for more economic products).
- No, I continue to consume at the same level.

18. Have you thought about starting purchasing store brands as a saving measure?

- Yes, it could be a way of saving money
- No, I am loyal to the brands I am use to buy

19. Which is the percentage you think you could save by purchasing store brands?

- I would save around 0-25%
- I would save around 26-50%
- I would save around 51-75%
- I would save more than 76%

**Questions asked to store brands buyers**

13. Are you loyal to any store brand? (Do you go to a specific place to buy because you like the store brand of that chain?)

- Yes
- No
14. Select your favorite store brand or the one you usually buy

The store brand is the brand sold under the retailer’s name

- Hacendado (Mercadona)
- Deliplus (Mercadona)
- Bosque Verde (Mercadona)
- Carrefour
- Dia
- Eroski
- Hipercor
- Aro (Makro)
- Marca Guía (E.Leclerc)
- Eco+ (E.Leclerc)
- Other:

15. Select 5 products that you are disposable to buy in store brands.

Select only 5

- Fresh food
- Frozen food
- Tinned food
- Dairy products
- Other food
- Snacks, chocolate, ice cream, coffee
- Non-alcoholic drinks
- Alcoholic drinks
- Hygiene
- Cleaning materials
- Stationery products
- Other

16. How much do you save by buying store-branded products?

- I save around 0-25%
- I save around 26-50%
- I save around 51-75%
- I save more than 76%
17. In comparison with before the crisis, do you look for more information now when you are buying a product rather than before?

- Yes, I have always looked for information, but now I do it even more before buying the product.
- No, I have always looked for lot of information
- No, I am very impulsive; if I see something I like, I buy it.
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- Yes, I have changed by diet (now I look for more economic products).
- No, I continue to consume at the same level.

20. Have you increased the quantity of store-branded products purchased since the crisis appeared? If yes, at what level?

- No
- No, because I have always bought high quantity of store brands.
- Yes, but not in a high level
- Yes, but only in those products in which the retailer have reduce the brands it offers.
- Yes, I tried to buy store-branded products always it is possible
- Yes, I only buy store-branded products
21. Relating to your shopping, which is the percentage of your store-branded purchases?

- 0%
- 10%
- 20%
- 30%
- 40%
- 50%
- 60%
- 70%
- 80%
- 90%
- 100%

22. When the crisis finish, select the approach you will adopt:

- I will continue choosing store brands as I did it before the crisis started
- I will continue choosing store brands as I notice that they offer better relation price-quality
- I will continue buying store-branded products but only for certain product categories.
- I will begin to choose leader brands because they give me more confidence
- I will continue choosing leader brands as I never stop to buy these products.
- Other