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Investigation Article

Management and management of own brands in Colombia: traditional channel brand awareness, commercialization factors and positioning⁶

Gerencia y gestión de marcas propias en Colombia: notoriedad de marca, factores de comercialización y posicionamiento en el canal tradicional

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Abstract. Managing own brands is a topic of special interest for *marketing* due to the progressive increase of formats, channels, and strategies addressed to influence purchase decisions of consumers, especially when dealing with frequent acquisition products.

Therefore, own brand management should be studied from the perspective of those who make the decisions of its commercialization and positioning. In this regard, a study developed with the intention of exploring the factors of own brand

management, from the perspective of top management in Colombia, included intermediaries of the distribution channel and manufacturers. The hermeneutic analysis reveals the perspective of managers and businessmen with respect to their commercialization practices, own brand perception, and positioning strategy, among others.

Keywords → Food industry, business models, industrial management, own brand, marketing, production.

6. "Gerencia y gestión de marcas propias en Colombia". Los autores agradecen a los empresarios que participaron en el proceso de recolección de datos, por su valiosa colaboración.

Resumen. La gerencia de marcas propias es un tema de especial interés para el marketing dado el aumento progresivo de formatos, canales y estrategias encaminadas a influir en las decisiones de compra de los consumidores, especialmente de los productos de adquisición frecuente. Por lo tanto, la gestión de la marca propia debe estudiarse desde la perspectiva de quienes toman las decisiones de su comercialización y posicionamiento. En este sentido, se desarrolló un estudio con el propósito de explorar los factores de la gestión de marcas propias, desde la perspectiva de la alta gerencia en Colombia, incluidos intermediarios del canal de distribución y fabricantes. Se utilizó un diseño exploratorio que tuvo como instrumento entrevistas en profundidad cuyos participantes fueron gerentes y directivos tanto de empresas que fabrican marcas propias, así como intermediarias en este canal. El análisis hermenéutico revela la perspectiva de los gerentes y empresarios respecto a sus prácticas de comercialización, percepción de las marcas propias y estrategia de posicionamiento, entre otros.

Palabras clave → industria alimentaria, modelos empresariales, gestión industrial, marca propia, comercialización, producción.

Introduction

Brand management and identification require the product to have physical presence (Del Moral, 2007), which is attributed to the right management of its qualities to develop awareness and favorable perception in the market (Ortegón, 2014). Brand awareness implies building from its identity, which per Beristain (2002) can be defined as a group of mental associations regarding brand value proposal the company wants to create into the consumer's mind when dealing with it by any means.

However, regarding own brands, this intangible has been related to a low-quality perception mostly due to its relationship with low prices (Oñederra, 2014). These circum-

stances have created an obstacle for positioning own brands. Nevertheless, manufacturers and intermediaries have created initiatives to change this perception, especially by improving the presentation of the product (packaging and labelling characteristics). In fact, different authors referred to several activities used to improve the quality with competitive prices, generating separation and greater acceptance towards this type of brands (Medina, Méndez & Rubio, 2001; De Paredes, Orta & Benito, 2002; Choi & Fredj, 2013; Rubio, Nieves & Yagen, 2014).

Likewise, own brands are becoming more important within the traditional market or retail trade. In fact, the Association of Private Brand Manufacturers shows how these brands represent 14% of the total of retail sales in the world. At the same time, 25% of sales in the United States corresponds to this type of brands (Sayman, Hoch & Raju, 2002). At the same time, in Europe they represent 40% of the traditional total of sales (Karray & Zaccour, 2006). Along these lines, per Fenalco (2012), 83% of Colombians has purchased any own brand product lately. 60% did this because they think there is a fair quality-price relationship.

Secondly, there are also relationships between price and the traditional channel (Rubio & Yagüe, 2009). This has fostered research applied to the psychographic profile of consumers with purchase intentions (Ailawadi, 2001; Brassington & Pettitt, 2003). For this reason, purchasing own brands in stores, mini markets, retailers, and wholesalers can be related to products on sale or with low price (Garreston, Fisher & Burton, 2002).

In addition to this, the management elements of the manufacturer are focused on the variety of offers that depend on the number of exist-

ing producers in the market, the number of brands, the variety of the product being offered as well as the development activity of new products (Puelles, Fernández de Larrea & Albert, 1997). For this reason, brand awareness becomes an intangible asset based on the acknowledge capacity of its external signs and within the product category (Del Moral & Bañegil, 2001). It is important to highlight here that the literature regarding own brand management includes processes regarding quality, price, positioning, and image (Hsiao, 2014; Rodmell, 2011; Richmond, 2010; Sethuraman, 2006; Road, 2001; Rubio et al., 2014; Durham, 2012; Rodmell, 2011; Ficher et al., 2012; Gómez, 2011; Qian, 2011; Ailawadi et al., 2004; Ostrosky & Chayo, 2003; Vila, 2001).

For this reason, it is necessary to check the processes tied to brand management from a top management perspective that includes the distribution channel and the manufacturer. This way, it is possible to complement the literature status towards the consumer environment (Anchor & Kouřilová, 2009; Bech-Larsen, Esbjerg, Klaus, Jørn & Brunsø, 2007; Whelan & Davies, 2006). These processes should be addressed in such a way that it is possible to evaluate their management within the traditional channel as the main exhibition and purchase source.

For this reason, the purpose of this research is to explore the own brand management factors in Colombia from a top management perspective, keeping into account the intermediaries of the traditional distribution channel as well as the manufacturers. In this case, we aim to describe the perception and management of the manufacturer, the wholesaler, the distributor, and the regional or neighborhood su-

permarket representative. Below, you can find the revision of the literature to introduce the method, the results, as well as the conclusions of this work.

Own Branding and Its Management

One of the purposes of own brand management is the awareness of a brand. In this sense, such brand awareness becomes an intangible asset based on the capacity the consumer should remember it by its external and product category signs (Aaker, 1991; Del Moral & Bañegil, 2001).

The literature indicates that brand awareness is achieved in three levels. The first one can be defined as acknowledging the brand. This is the capacity to identify the brand as a sign that has been previously found. The second one can be considered as the intermediate level, which consists on the capacity to acknowledge and remember its signs. Lastly, the third level is defined as the capacity to identify and remember the brand by its meaning (Del Moral, 2007). Keller describes in greater detail two levels: resonance and awareness (1993).

It is important to keep into account that at first, own brands were introduced with resonance and awareness within the markets as poor quality and low price brands (Rubio, Nieves & Yagen, 2014). Nevertheless, the demands of the traditional markets have forced organizations with own brands to do their best in improving the quality of these products to provide consumers with better standards and, at the same time, position such brands as the ones with the best quality – price relationship (Hsiao, 2014; Sethuraman, 2006). At the same time, own brands are nowadays more popular in the United

States, Europe, and Colombia (La República, 2012; ACNielsen, 2005).

For this reason, it is important to analyze the perception managers have regarding the manufacturer and the distributor and the way the concept of own brands has evolved. The previously mentioned characteristics have changed with time, especially in the traditional trading channel.

Traditional Trading Channel of Own Brands

Per Álvarez & Charmel (2001), the traditional channel is an informal business structure of interdependent organizations that goes from where the product is produced up to the consumer. Manufacturers use the distribution channels by means of a physical distribution to reach the consumer.

The best international example is China, where the retail and market is almost fully controlled by different commercialization formats (Ørskov, 2004). On the other hand, in the United States, retail markets are the second industry in terms of establishments and employees, with an average of US\$3.8 billion in sales (About, 2005). Boyle (2003) indicated that retailers are responsible for more than 80% of the daily food sale in the United States, and 10 years ago it was only 30%.

In Europe, there is a very powerful retailer in Germany with a participation in the German market of approximately 50% (Ramos, 2004). On the other hand, in Scandinavia, the biggest retailers have more than 80% of the market. There is a remarkable difference in Finland: 91% of the market is dominated by three retailers: www.kesko.fi; www.s-kanava.fi; www.tradeka.fi; www.elanto.fi.

In Colombia, a store is the most important channel for large compa-

nies: 75% for La Fina; 65% Colombiana; 97% Coca Cola; 70 % Nacional de Chocolates (Dinero Magazine, 2003, 2004,); 70% Alpina; 40% Unilever Andina, and 95%, Bavaria (Páez & Pérez, 2005). Based on this, the advantages of a store lie in the fact they have packing units, give credit, or sell on credit for low amounts and short periods of time without asking for anything in return.

The only collateral there is friendship, knowing the customer, that the customer is a neighbor, closeness (people save in transport), customized attention (clerks know their customers), people want additional income.” (Dinero Magazine, 2004, p. 45)

Table 1 describes the intermediaries of the traditional channel per the literature and the Colombian context. However, the fact that we mention these intermediaries does not imply that they are the only ones. The other combinations among them.

It is important to consider that channels, producers, and intermediaries can be integrated and obtain mutual benefits. Sometimes, channels are organized by means of agreements and there are others established and controlled by only one person, who can be an agent, a manufacturer, a wholesaler, or a retailer.

This person can establish policies for himself and coordinate the creation of marketing mix (Cruz, 2014).

After considering the literature related to the purchase scenario and its importance, it is imperative to keep into account other aspects related to management, such as quality management, price management, commercialization management, purchase characteristics, and own brand perception.

Table 1. *Intermediaries of the Traditional Channel within the Literature and the Colombian Context.*

Format	Description	Coverage	Characteristics	Examples
Distributor Also called commercial intermediary or commercialization bodega	Big buyer of products to manufacturers in different categories and the call, with sale capacity in different commercial segments and with national, regional, and local coverage. The differential is given for its wide sale strength, which is specialized on specific segments.	<ul style="list-style-type: none"> • National • Regional • Local 	<ul style="list-style-type: none"> • Own bodegas • Distribution centers • Wide sale strength • Car center • Customized portfolio • Coverage • Delivery disposition 	<ul style="list-style-type: none"> • Altipal • Organización Cárdenas • John Restrepo • Ventas y Marcas • Pastor Julio Delgado • Llanoviveres
Wholesaler Also called barn, wholesale bodega, or plaza bodega	It purchases or transforms products to re-sell them to retailers. One of its main characteristics is that the bodega is used as sale point.	<ul style="list-style-type: none"> • Regional • Local 	<ul style="list-style-type: none"> • Own storage bodegas. They are cheap and have great capacity • Less operative cost • Low intermediation • Sale representative figures • Wide portfolios 	<ul style="list-style-type: none"> • Su Despensa • Alianza Mayorista • Cooratiendas • Gerardo Zuluaga
Independent supermarkets Also called 'superetes', minimarkets, or neighborhood supermarket	This format is between the neighborhood store and large areas. It has areas between 50 and 400 square meters, a basic selection, and it has five employees in average.	<ul style="list-style-type: none"> • National • Regional • Local 	<ul style="list-style-type: none"> • Direct contact with the customer • Competitive prices • Basic family food basket portfolio • Greater profitability • They don't have bodegas • They are comfortable because they are close and fast 	<ul style="list-style-type: none"> • Zapatoca • Búcaros • Mercacentro • Más x Menos • Supercundi • Lider
Stores Also known as: Neighborhood stores, corner shop, or owner shop	These are small businesses usually managed by a family group where first-need products are offered in affordable presentations. In average, two to three people work there, and the service there is customized.	<ul style="list-style-type: none"> • Regional • Local 	<ul style="list-style-type: none"> • Customized service • Credit or sell on credit • Flexible schedules • Closeness, no traffic of people • Affordable portfolios and smaller presentations • Daily purchase frequency 	<ul style="list-style-type: none"> • Cooratiendas • Tenderos independientes • Supertiendas

Source. *Own Construction from Prieto (2015), Torres (2014), and Thomassen et al. (2010).*

Management Factors and Own Brand Positioning

When talking about own brands, previous studies indicated that the dimensions to keep into account are: quality, price, positioning, and image. Table 2 describes these indicators.

Finally, after conceptualizing the aspects of interest, such as management and awareness perception of own brands, the commercialization factors that intervene in the traditional channel, and the management and positioning indicators, the following question arises: Which are the own brand management factors within the environment of brand awareness from the perspective of management and intermediaries in Colombia?

To answer this question, below you can find the methodology, followed by the results and the discussion, keeping into account that the previous work regarding this topic has usually been oriented to the final consumer (Ailawadi *et al.*, 2001; Brassington & Pettitt, 2003; Anchor & Kouřilová, 2009; Bech-Larsen *et al.*, 2007; Whelan & Davies, 2006).

Methodology

Due to the nature of the problem, we carried out an exploratory research design with the interview technique, followed by a qualitative analysis of information. To do this, we selected for well-known managers who represent the functions of the distributor, a leader storekeeper, the presi-

dent of a supermarket chain, and a manufacturer. Table 3 summarizes their professional and occupational characteristics. At the same time, it is important to keep into account that these participants are related to the management of own brands by managing and making decisions regarding the development of their respective organizations. They are also organizational leaders with 100% Colombian capital.

Instrument

For this study, we carried out a deep interview guide. This instrument was used to delve into the beliefs and experiences regarding the guiding categories being studied (López & Deslaurier, 2011). This guide had 11

Table 2. Literature Dimensions within the Own Brand Management and Positioning Environment.

Dimension	Description
Own brand quality	Processes related to guaranteeing that the product has characteristics that ensure tranquility and security to gain trust and possible re-purchases (Hsiao, 2014; Rodmell, 2011; Richmond, 2010; Sethuraman, 2006; Road, 2001).
Own Brand price	Since this is a sensitive variable when making a purchase (regarding own brands), it is necessary to generate strategies that decrease low quality perceptions with respect to the product (Rubio et al., 2014; Hsiao, 2014; Durham, 2012; Rodmell, 2011; Road, 2001).
Own brand positioning	An own brand requires positioning work regarding acknowledgment, credibility, and closeness to the final consumer. This is developed by working together with intermediaries and manufacturers because they are part of the commercialization chain (Hsiao, 2014; Ficher et al., 2012; Gómez, 2011; Qian, 2011; Road, 2001).
Own brand image	Regarding own brand image, it is necessary to have processes that project differentiating factors regarding commercial category groups (Rubio et al., 2014; Ailawadi, 2004; Ostrosky & Chayo, 2003; Vila, 2001).

Source. Own construction, 2016.

Table 3. Research Participants.

N.º	Position	Economic Relationship*	Connotation
1	General manager	Distributor (National)	Only national distributor of mass consumption products, specialized in own brand commercialization.
2	Owner and manager	Chain of supermarkets (regional)	Positioned regional chain that uses own brands as differentiation, commercialization, and positioning strategy.
3	General manager	Storekeeper Association (regional)	Fosters a unique storekeeper association format that intensifies its positioning by using own brands of great quality and competitive price.
4	President	Factory (National)	First Colombian company dedicated to manufacturing food products focused on developing own brands.

Source. Company managers, 2016.

questions distributed in three guiding categories that correspond to the following dimensions: a) commercialization strategies of own brands oriented to the traditional channel; b) own brand positioning strategies, and c) awareness perception achieved by own brands with respect to commercial brands per the objectives of the study.

Procedure

We carried out for deep interviews with the main intermediaries of each one of the participants of the traditional channel. We also based our questioning process and the analysis on the recommendations suggested by Salgado (2007), which consist of the division and validation of the

findings by checking the literature or conceptual body of the study. The information gathered was transcribed and analyzed in networks of lexical families and hermeneutical codes by using specialized software with respect to qualitative data analysis (Atlas.ti) and by adhering to the objectives of the research as well as to the built orienting categories (analysis axis described in the instrument) that allowed us to represent and analyze the findings from an information saturation guideline.

This way, the fieldwork concluded with four effective interviews about the topic of research (to business managers) per selection to expert guidelines (Bonilla-Castro & Rodriguez, 2005). It is important to remember that the number of participants was selected due to the fact that in Colombia that is a very low number of people in management that participate in the own brand commercialization chain, as we mentioned when revising the literature, and for this reason, the information saturation criteria was essential when detecting the additional contribution of the participants does not change or are significantly contributive among them (Flick, 2009; Salgado, 2007; Strauss and Corbin, 2008). On the other hand, the deep interview technique was enough to question, delve into, and build information regarding the management and awareness of own brands based on what was suggested by Creswell (2013) and to the possibility of representing such management in cognitive schemes (Ortegón, 2011).

It is important to highlight that we carried out to interviews in Bogotá and the other two in different regions of Colombia. All these to understand the difference in commercial and regional concepts. Afterwards, we carried out a hermeneutical analysis by using the Atlas.ti software, version 6.0.

Results

The answers of the participants can be summarized in three guiding categories, represent it in three families: (a) own brand commercialization strategies oriented to the traditional channel; (b) own brand positioning strategies, and (c) own brand awareness perception with respect to commercial brands. For this reason, these are the main units of analysis or of families.

Along these lines, Figure 1 represents the cognitive scheme whose analogy point is the own brand family.

This way, we refer to the primary category that corresponds to the purchase characteristics that have a subjacent element with respect to the commercialization within the traditional channel.

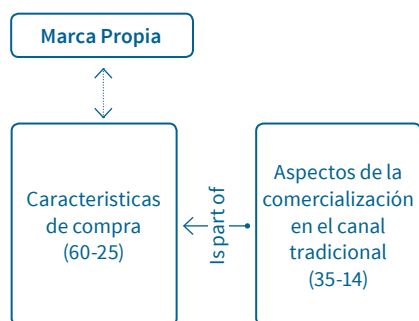


Figure 1. Own Brand. Source: Own Construction, 2016.

It is evident that when talking about own brands, purchase characteristics are important because they show the grounds for our theory with 16 mentions and 25 connections. Nevertheless, we highlight that the aspects of commercialization within the traditional channel are an important part of the purchase characteristics with 35 mentions in the hermeneutic units and 14 connections.

Below, you can find a verbatim that represents the importance of

this network: “There is an essential reason for private brands to exist. The reason is: it changed the power equation... Today, the brand that reaches the consumer, or the one that executes the sale is the one that is powerful.”

For this reason, this verbatim allows interpreting the reason why the purchase characteristics of the own brand consumer, when talking about the traditional channel, are tied to commercialization aspects such as “reaching the consumer” from the closeness that this type of channel offers to the final consumer.

The main category has independent axial codes that are part of the “purchase characteristics”. However, there are other codes that are related to the commercialization within the traditional channel, as can be seen in Figure 2.

Additionally, the category “purchase characteristics” has axial codes or secondary categories that are directly related. Nevertheless, the codes that are directly related are: quality, modern channel, competition, name of the establishment, commercial brand, portfolio, and awareness.

At the same time, the codes related to “purchase characteristics” are: product categories, knowledge, scale economy, brand fidelity, consumer perception, way of doing business, socio-commercial condition, and product testing as the purchase facilitator.

Likewise, “consumer perception” is the code with greater basis: 64 verbalizations followed by quality, with 58. These codes refer to the way consumers perceive the changes private brand products have within the traditional channel, where quality is an essential attribute when deciding what to buy.

This is related to what was mentioned in one of the interviews.

Private or own brands were related to two things: low price and quality... not but quality... But inferior... I think this thought changed. Why did it change? It changed because the private brand owner understood that this is an asset that can be more valuable than the other assets... For this reason, the owner started asking the manufacturer to use the same or better quality than the leader brand had... per definition. This mere fact made the perception of the consumer change and be more positive towards the quality of private brands. In fact,... In the country... There already are premium private brands and this is an indicator that the concept of private brand changed.

Additionally, while listening to the comments of another interviewee, an additional axial code or secondary category that is important to mention is “knowledge”, with 46 verbalizations. This refers to the understanding consumers have when buying an “own brand” product.

It is evident that “purchase characteristics” has codes interrelated to “commercialization aspects within the traditional channel” such as, low price, availability, credit, trust, distributor, cost structure, number of stores, and basic products or family food basket.

For this reason, “low prices” has 51 verbalizations, followed by “trust” with 24 verbalizations. It is important to highlight that from the perspective of the participants, “low prices” is another essential attribute when making a purchase within the traditional channel and the own brand scenario.

To illustrate this, below you can find the transcription of the interview made to one of the participants:

Let's say that 80% of the Colombian population earns the minimum wage. This income is very low, and if we offer an own brand product of excellent quality, at a better price, and we provide people

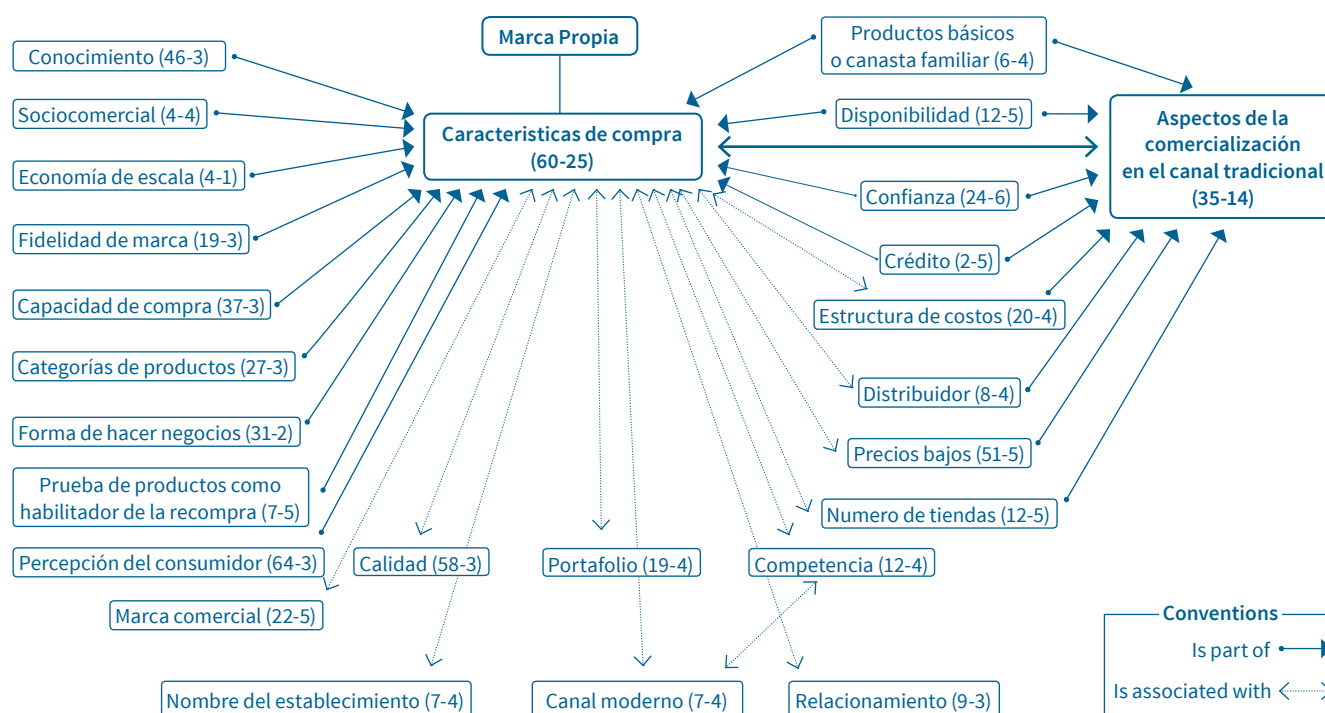


Figure 2. Purchase Characteristics. Source: Own Construction, 2016.

with the opportunity to try it, it is sure that they are going to keep it and the price becomes important for them due to their monthly income.

Figure 3 introduces a scheme of the lexical family with respect to the brand awareness. Firstly, it is related to “the perception between own and commercial brands” with 85 verbalizations. Secondly, there is “commercialization aspects within the traditional channel” with 35 verbalizations. Finally, there is the “positioning strategy” with 71 verbalizations.

When asked how interested are you in promoting brand awareness and visibility in the stores? one of the interviewees replies:

Interested! This means: an own brand is an asset of the brand owner; it has its own value ... There are two strategies implied: talking about a brand, referring about a modern channel. There is one strategy:

when the brand is the same one used by the establishment and there is another one when the own brands are different from the one of the establishment, and different per category. Right? So, you can see that stores Éxito use Éxito as their own brand: Éxito oil, Éxito margarine, Éxito pasta ...¹

When referring to “awareness” in own brands, there are two ways of looking at it: when well-known establishments within the modern channel use their own name in their products, and when they do not use their same name, but launch their own brand to position it among the rest. This last concept is generally used within the traditional channel.

1. Gerónimo Martins, the name of his store is ARA and each category has a brand (2016).

Within the lexical family of “awareness” we can find “commercialization aspects within the traditional channel” with axial differentiation codes regarding price, credit, brand as an asset, low prices, cost structure, basic products or family food basket, availability, distributor, and number of stores.

Lastly, Figure 3 shows the concept called “value perception” as an analysis unit of greater relevance with 56 verbalizations and 13 connections, followed by “low prices” with 51 verbalizations and five connections. At the same times when asking the opinion of the consumers with respect to the price and if this is the only important variable when buying a known brand, we found answers like this:

This is not the only important variable. It is not only the own brand; it is having every product

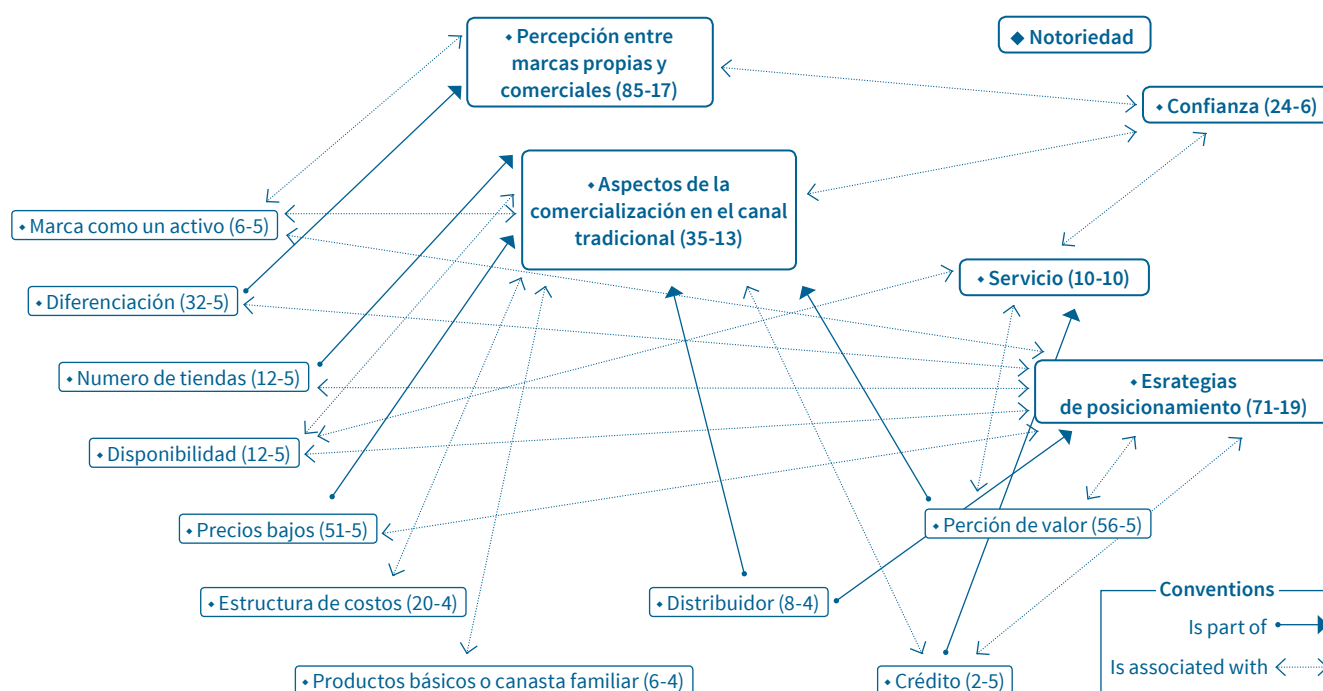


Diagram 3. Scheme of the Guiding Category Regarding Awareness. Source: Own Construction, 2016.

with the best prices of the city. The fact that some new supermarkets use the idea of being a lost island in the middle of the ocean indicates that customers go two or three times there. Then, people learn that our stores are cheaper and that the service is different; we obviously always work for this. However, we do not use the same policy, we use regular percentages that do not affect the family food basket, meaning that if I sell cheaper eggs, I do not want to charge more for the rice. No. Everything should be balanced and the price must be fair.

The axial code of the perceived value is not only based on designing low prices strategies, but also in grouping different variables such as, service and product availability because Colombian consumers consider these essential aspects. Lastly, this family uses the “positioning strategy”, which corresponds to the other primary categories, axial codes,

price difference, credit, brand as an asset, low prices, availability, distributor, number of stores, and value perception.

To complement this, when describing the lexical family of “traditional channel”, Diagram 4 shows the presence of two guiding categories: “commercialization aspects within the traditional channel” with 35 verbalizations and 13 connections.

This category makes part of another guiding one: “commercialization perception”, which is the most representative with 90 verbalizations and 21 connections. The perception of commercialization within the traditional channel (as part of every guiding category) is the most frequent in the total result of the research and analysis. The own brand awareness is essential for the commercialization within the traditional channel. Below you can find the comments made, from two different points of view, regarding this:

In our stores, we always carry out a study for our own brand products, some samples. We ask our customers and employees to try different brands and we select the ones with the greatest score.

The reason why we use own brands is differentiation. Our goal is that our stores are different from the others, and one way to do this is own brands. Because they are ours, they cannot be found anywhere else.

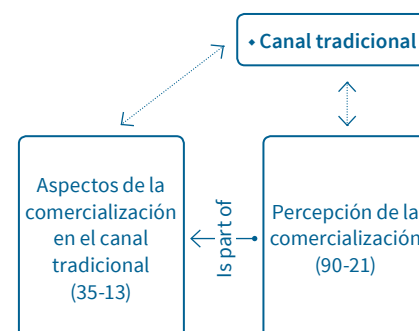


Figure 4. Traditional Channel. Source: Own Construction, 2016.

Diagram 5 is the result of the primary category “commercialization perception”, which has secondary categories that are directly tied to knowledge, following the leader in commercial brands, socio-commercial, brand fidelity, product test as purchase facilitator and differentiation. Here, the greatest repetition is “knowledge” with 46 verbalizations. Among the secondary categories that make part of commercialization perception we have: horizontal integration, way of doing business, and purchase capacity.

The primary categories “commercialization aspects within the traditional channel” and “commercialization perception” have several secondary categories in common, including price difference, brands as an asset, basic products of the family food basket, cost structure, number

of stores, value perception, availability, low prices, distributor, and trust. In this case, value perception has more verbalizations, 56, followed by low prices, with 51 verbalizations.

Discussion

This research explores different factors of own brand management within the traditional channel in Colombia from the perspective of the distribution channel intermediaries. It shows how important it is to know the different processes involved when making purchase decisions and identify differentiating components regarding commercial brands. In addition, when positioning an own brand, it is recommended to try the product since it is manufactured and make it available constantly for the customer to buy it more than once.

Likewise, it is possible to know the variables that determine the traditional channel in Colombia when selecting an own brand. These variables include: quality and price, which goes along the lines of the literature that suggests revising such dimensions within the own brand management environment (Hsiao, 2014; Rodmell, 2011; Richmond, 2010; Sethuraman, 2006; Road 2001; Rubio *et al.*, 2014; Durham, 2012). In addition, from the perspective of intermediaries, Colombian consumers are influenced by price, especially when talking about the traditional channel. However, they also demand that the products have a quality standard that is similar or better than the commercial brands.

It was also possible to determine that to commercialize own brand products, the actor must have pro-

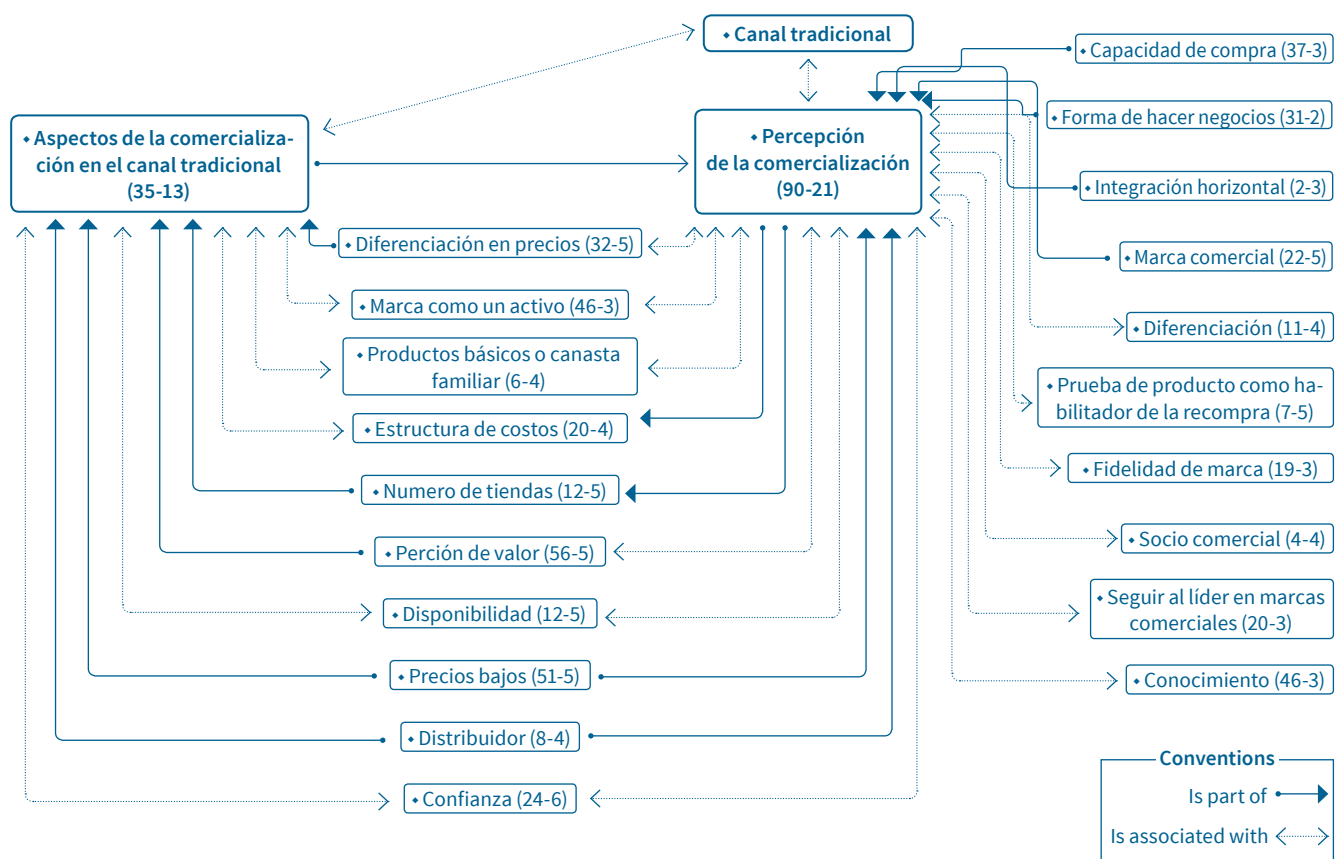


Figure 5. Scheme of the Guiding Category within the Traditional Channel. Source: Own Construction, 2016.

cesses that allow him to know the value perception consumers have regarding these products (own brand), especially when they are bought within the traditional channel.

It was also possible to contradict what was exposed by the previous literature regarding brand awareness as being essential for commercialization management (Aaker, 1991; Del Moral & Bañegil, 2001). Also, regarding the fact that the development of own brands implies improvement processes for quality perception (Ailawadi & Keller, 2004; Del Moral, 2007; Hsiao *et al.*, 2014; Sethuraman, 2006); and the channel integration as a relevant phenomenon for the environment of own brands within the traditional channel (Cruz, 2014).

Nevertheless, the results of this investigation showed that, from the perspective of the managers, there is more than one determining characteristic for the management of own brands, including diverse aspects that complement the literature. Along these lines, we suggest that future research continue these guidelines by making comparisons between Colombia and countries with a representative growth or a similar behaviour within the traditional channel.

Regarding the managerial implications, it was possible to indicate that price and quality are not the only variables for commercializing own brands within the traditional channel in Colombia because the organizations should work hard for consumers to try own brand products. It is not possible to generate future purchases or an evaluation from the consumers regarding quality and price without this.

At the same time, own brand manufacturers should be excellent observers and copy commercial brands because these are the ones

recognized by consumers. Likewise, own brands are an asset that can be of more value than the other assets within a company. It is a priority to have security inventories that prevent reserve breaches that harm the awareness achieved.

On the other hand, from the perspective of managers, own brands are recognized by the name of the establishment and if this is well-positioned, consumers will be receptive. Nevertheless, for distributors (acting as intermediaries) own brands that belong to others is just another commercial brand. For this reason and according to one of the interviewees we can talk about a new term for this product marketer in own brands that could be the designation of “exclusive brands”.

Exclusive brands, per Solar & Román (2012), are understood as an offer well re-known by consumers. Usually, they are associated with high prices, possession, and with experiences out of the ordinary (Colombo & Castrillón, 2010). Among these characteristics, we can find aspects such as the materials used, shapes and symbols characteristic of packaging, customer profile, artisanal production, and in some categories that include watchmaking and cosmetics: innovation and technology (Saldarriaga, 2012). For this reason, when transforming own brands and products in exclusive brands, it is important to consider the physical factors of the product combine with the psychological aspects of the consumer to mirror luxurious brands (Eng & Bogaert, 2010).

For this reason, we recommend managers to use the term “exclusive brands” as a differentiating concept and to study decision-making and applicable processes to the construction and positioning of own brands. We also suggest that future research compares Colombia to countries with a representative

growth or a similar behaviour within the traditional channel. This would complement the ideas stated here to enhance the scope that brand awareness and management have for intermediaries to be strategies that increase customer loyalty regarding own brands.

This way, it would be possible to compare the visions intermediaries have with the ones of final consumers because this would enable to determine if the actions taken are perceived and applied by the consumer, who is the one making the final decision.

The limitations of the study include the difficulties experienced when obtaining interviewees and the obvious low number of interviews. The reason for this is that in Colombia that are not many people that manage own brands. This should be taken into account in future research in order to confirm or contradict the findings stated in this work, whose final goal was to promote a better knowledge of business practices and of the marketing of this emerging category.

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