The role of knowledge and importance of country-of-origin information in female consumers' purchase intent of exotic crocodile leather accessories

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by

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Die rol van produk-kennis en die belangrikheid van inligting aangaande land-van-oorsprong in vroulike verbruikers se koopintensie met betrekking tot eksotiese krokodilleer-bykomstighede

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DECLARATION

I, Hanri Chambers, hereby declare that the dissertation for the Master's degree in Consumer Science: Clothing Retail Management at the University of Pretoria, submitted by me, is my own work and has not previously been submitted for a degree at this or any other University or Tertiary institution and that reference material contained herein has been acknowledged.

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Hanri Chambers   Date

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ABSTRACT

The study investigated the role of knowledge (objective knowledge and subjective knowledge) and the importance of country-of-origin in female consumers' purchasing intent of exotic crocodile leather accessories. The study was conducted across South Africa and specifically concentrated on exotic crocodile leather accessories, which is a subset category in the luxury apparel industry. Consulta Research is a professional research company and was consulted to assist with the data collection. A quantitative descriptive approach was followed by developing an electronic survey design. Data was collected by using a self-administered online questionnaire, which was distributed by a research company. A cross-sectional study was used to conduct the research. The data was collected by means of non-probability convenient sampling. A total of 337 questionnaires were completed. Scales from previous research studies were adapted for the purpose of this study. The questionnaire was part of a bigger study and only five sections of the questionnaire were relevant to this specific study. Descriptive and association methods were used to analyse the data. Pearson correlation and Spearman correlation were used to analyse the data by means of relationships between variables.

This study attempts to differentiate between consumers' objective and subjective knowledge of luxury leather accessories. The construct *objective knowledge* was theoretically divided into intrinsic-related attributes and extrinsic-related attributes of the products of investigation. The relationship between objective knowledge and purchasing intent as well as the relationship between the importance of country-of-origin information and purchasing intent of exotic crocodile leather accessories was investigated. The findings regarding exotic crocodile leather accessories showed that females' objective and subjective knowledge is limited, did not seem to find country-of-origin information important, had a weak purchase intent, and indicated that there was statistical significance only between the female consumers' purchasing intent and their objective knowledge regarding the intrinsic-related attributes of exotic crocodile leather accessories.

The limitations of the study are that the results are based on non-probability convenience sampling, therefore the findings cannot be generalized to the whole South Africa, or to all the exotic leather industry markets for affluent consumers. One would have liked to have approached a population group that consisted of affluent respondents with an annual household income of more than R100 000. The study's findings can contribute to the South African exotic crocodile leather industry and specifically to retailers, manufacturers, tanneries, and marketers. The findings and conclusions drawn in this study contribute to existing theory and could serve as the basis for future research in consumer behaviour, consumer science and the luxury exotic leather industry in South Africa.

Key words: objective knowledge, subjective knowledge, purchase intent, country-of-origin information, exotic crocodile leather products, luxury industry

OPSOMMING

Die studie het die rol van produk-kennis (objektiewe kennis en subjektiewe kennis) en die belangrikheid van inligting aangaande land-van-oorsprong in vroulike verbruikers se koopintensie met betrekking tot eksotiese krokodilleer-bykomstighede ondersoek. Die studie is regoor Suid-Afrika uitgevoer, en daar is spesifiek gekonsentreer op eksotiese krokodilleer-bykomstighede, wat 'n sub-kategorie in die luukse klerebedryf uitmaak. Consulta Research is 'n professionele navorsingsmaatskappy en is geraadpleeg om te help met die data-insameling. 'n Kwantitatiewe deskriptiewe benadering is gevolg deur 'n elektroniese opname-ontwerp te ontwikkel. Die data is ingesamel deur die gebruik van 'n selftoegepaste aanlyn-vraelys, wat deur 'n navorsingsmaatskappy versprei is. 'n Dwarssnee-studie is gebruik om die navorsing te doen. Die data is ingesamel deur middel van nie-waarskynlikheids- gerieflikheid-steekproefneming. 'n Totaal van 337 vraelyste is voltooi. Skale uit vorige navorsingstudies is aangepas vir die doeleindes van hierdie studie. Die vraelys het deel gevorm van 'n groter studie en slegs vyf afdelings van die vraelys het betrekking op hierdie spesifieke studie. Pearson-korrelasie en Spearman-korrelasie is gebruik om die data deur middel van die verhoudings tussen veranderlikes te analiseer.

Hierdie studie poog om te onderskei tussen die verbruikers se objektiewe en subjektiewe produk-kennis van luukse leer-produkte. Die produk wat genavors word se *objektiewe kennis* is teoreties onderverdeel in intrinsiek-verwante kenmerke en ekstrinsiek-verwante eienskappe. Die verhouding tussen objektiewe kennis en koopintensie, asook die verhouding tussen die belangrikheid van inligting aangaande die land-van-oorsprong en die koopintensie met betrekking tot eksotiese krokodilleer-bykomstighede is ondersoek. Die bevindinge met betrekking tot eksotiese krokodilleer-bykomstighede het getoon dat vroulike verbruikers beperkte objektiewe kennis en subjektiewe kennis beskik, blykbaar nie inligting aangaande land-van-oorsprong as belangrik beskou nie, 'n swak koopintensie het, en het aangedui dat daar statistiese beduidendheid was slegs tussen die vroulike verbruikers se koopintensie en hul objektiewe kennis aangaande die intrinsiek-verwante eienskappe van eksotiese krokodilleer-bykomstighede.

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Die beperkinge van die studie is dat die resultate gebaseer was op nie-waarskynlikheids-gerieflikheidsteekproefneming, wat beteken dat die bevindings nie veralgemeen kan word na die hele Suid-Afrika nie, of na al die eksotieseleer-bedryfsmarkte vir welgestelde verbruikers nie. 'n Mens sou graag 'n populasiegroep wou kon bestudeer wat bestaan uit welgestelde respondente met 'n jaarlikse huishoudelike inkomste van meer as R100 000. Die studie se bevindinge kan bydra tot die Suid-Afrikaanse eksotiese krokodilleerbedryf en spesifiek vir kleinhandelaars, vervaardigers, leerlooierye, en bemarkers. Die bevindinge en gevolgtrekkings in hierdie studie dra by tot bestaande teorie en kan dien as die basis vir toekomstige navorsing in verbruikersgedrag, verbruikerswetenskappe en die luukse, eksotiese leerbedryf in Suid-Afrika.

Sleutelwoorde: objektiewe kennis, subjektiewe kennis, koopintensie, inligting aangaande land-van-oorsprong, eksotiese krokodilleer-produkte, luukshede-bedryf

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CHAPTER 1

THE STUDY IN PERSPECTIVE

Introduces the background of the study and presents the research problem. The theoretical perspective, research design, methodology and the compositions of the study are briefly described.

1.1 INTRODUCTION

Centuries ago, luxury items were only owned by kings and fashion autocrats, from Chinese emperors wearing only the finest silk to Marie Antoinette's famous extravagant gowns. Luxury trends change all the time which makes the term *luxury* unclear and today no longer limited to the ownership of the elite, but part of each consumer's everyday lifestyle (Yeoman & McMahon-Beattie, 2006). The word *luxury* originated from the Latin word *luxuria,* which refers to the means of a "… comfortable and expensive living or surroundings" (*Oxford Dictionary*, 2007) According to Wiedmann, Hennings and Siebels (2007:1) luxury can be defined as the highest level of prestigious brands encompassing several physical and psychological values and the consumption of luxury goods involves purchasing a product that represents value to both the individual and their reference group .More consumers are committing to luxury products; 130 million such consumers are in the emerging market and 10 million new consumers are entering the market each year (*The Economist*, 2014). The luxury market is still hugely dependent on the female consumers (Deloitte, 2016). Many ageing consumers are spending more on the experience when purchasing a luxury product (*The Economist*, 2014). Yeoman (2010) stated that luxury is not completely about the monetary value, but rather about the experience and sense of authenticity the consumer receives when consuming the prestige product. An exotic crocodile leather product will be accepted as a prestige product when it provides excellent craftsmanship, ethical lifestyle, exclusivity, entertainment and quality.

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The overall luxury market globally is slower but steadier; it grew by 7% in 2013 and slowed by 5% in 2014 (D'Arpizio, Levato, Zito & Montgolfier, 2014). The reason for this slow but steady growth, according to D'Arpizio *et al*. (2014), is that the global economy is recovering from the financial crisis in 2008, society being more concerned about the product's sustainability, as well as the international trend to travel (*The Economist*, 2014). The United States is the largest luxury market, followed by Japan (D'Arpizio *et al*., 2014; Deloitte, 2014). The focus of this study is the luxury accessories category, which forms part of the overall luxury goods market, specifically the leather industry. The luxury accessories category occupied 29% of the overall luxury goods market and in 2014 it grew by 4% (D'Arpizio *et al*., 2014). Luxury leather goods are one of the biggest categories in the accessories market and grew by 3% in 2014 (D'Arpizio *et al*., 2014). Products made from exotic skin (crocodile or ostrich leather handbag or purse), including crocodile skin, are demanded by consumers across the world. As long as luxury fashion houses incorporate exotic skins in their accessories design, rearing of crocodiles or other animals such as ostrich, will be a lucrative undertaking. For the purpose of this study, the focus will be on crocodile leather. South Africa is famous for their exotic C. niloticus crocodile (Nile crocodile) and ostrich leather. The Nile crocodilians' skin is being recognised as a 'classic' which is one of the most desired skins to produce leather products because of the Nile crocodilian's boneless belly and aesthetically interesting exterior patterning (Ferguson, 2010). Crocodiles are used for their meat and skins, but mostly for their skin. The meat is a by-product; only 10% of the meat is sold to upmarket restaurants in Europe and the Far East (Van Rooyen, 2012; Caldwell, 2013). The crocodile supply chain illustrates to farmers, manufactures and retailers where value needs to be added or improved.

Luxury consumers differ from other consumers with regard to their knowledge and attitudes towards products. According to the tri-component attitude model, popularized by cognitively oriented social psychologists (Holbrook, 1978; Reibstein, Lovelock & Dobson, 1980; Wilke, 1994), these attitudes consist of three major components, namely cognitive, affective and conative. A person's cognition includes the knowledge one has of a product. Product knowledge can be divided into objective and subjective knowledge (Brucks, 1985). According to Schiffman and Kanuk (2010:242), "this knowledge and resulting perceptions commonly take the form of beliefs". When consumers perceive themselves to have

knowledge of a product, it is called subjective knowledge. Objective knowledge can be defined as what the consumers actually know about a product (Brucks, 1985). Consumers may have objective knowledge regarding a product's intrinsic behavioural attributes and extrinsic attributes (Jacoby, Olsen & Haddock, 1971; Zeithaml, 1988; Gursoy, 2003; Phau & Suntornnond, 2006). The features of a product that cannot be altered once it is manufactured, namely textile, design, construction and finishes, are defined as the intrinsic features, and if the consumer has sufficient knowledge about the product, these intrinsic features can be used as quality cues during product evaluation (North, De Vos & Kotzé, 2010). Extrinsic cues can be defined as attributes that can be changed without changing the product. It includes features such as brand name, price and country-of-origin, which relates to the physical product, but is not intrinsic to the product (Jiménez-Guerrero, Gázquez-Abad, Huertas-García & Mondéjar-Jiménez, 2012). Intrinsic features as well as extrinsic features influence the behavioural qualities of a product, in other words, what the product will do for the consumer when it is used. Behavioural qualities can be classified as functional, aesthetic, symbolic and emotional (Fiore & Kimle, 1998). If the degree of consumers' objective knowledge of a product's intrinsic cues is considered low, consumers will rely on extrinsic cues. This means consumers with a higher degree of objective knowledge will to a greater extent evaluate and consider the intrinsic features more important when making a purchase than with their perceived knowledge of the product's extrinsic cues (Phau & Suntornnond, 2006).

However, if the consumers do not have the knowledge or time to do extended research on a product and alternatives, they will use mental shortcuts called heuristics, to search for the necessary information at that moment during decision making (Solomon & Rabolt, 2004; Bloemer, Brijs & Kasper, 2009). This way consumers are simplifying their evaluation on a product. Extrinsic information of a product, such as country-of-origin, assists the consumer to make an easy choice which is less time consuming.

The consumers' emotions or feelings about a particular product constitute the affective component of an attitude (Wiedmann, Hennings & Siebels, 2007, 2009). Connation is the final component of an attitude and is concerned with the likelihood or tendency that an individual will undertake a specific action or behave in a particular way. In marketing and consumer research, this component is frequently seen as the consumers' intent to buy, or

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the consumers' purchasing intent, which can then be defined as the likelihood that the consumer will buy a specific product (Holbrook, 1978). Consumers' knowledge of luxury exotic crocodile leather accessories, as well as the importance of their country-of-origin information, could therefore play a role in their intent to buy an exotic crocodile leather item.

1.2 PROBLEM STATEMENT

South Africa is one of the emerging markets and an opportunity for international companies to invest in (Deloitte, 2014). South Africa's diverse population and the growth in the middle-class consumers, especially the so-called Black Diamonds, make it one of the emerging markets for luxury goods (Deloitte, 2014). The luxury goods market in South Africa is expected to grow between 20% and 30% in the five years up to 2017 (Moorad, 2013).

Approximately 80% of the South African crocodile raw hides are currently being exported, which leads to a loss of opportunity for the local economy and a decrease in profits from the tanning, design and production of leather products locally (Cape Cobra, 2013). About 10% of the hides are used in the production of accessories and sold locally. South Africa has ±60 registered crocodile farms, with a projected number of 500 000 crocodiles (Van Rooyen, 2012). After the soccer World Cup, hosted by South Africa in 2010, the luxury market created opportunities for luxury brands to invest in the country (Moorad, 2014) and many international luxury brands have now established themselves in the South African retail environment. The South African crocodile leather manufacturers and brands now have to compete with these international brands to find for themselves a niche in the South African market.

Intrinsic features such as good quality skin and superior craftsmanship (if known or identified by the consumer) should serve to satisfy many of the consumer's needs when the product is used. However, if unknown or not identifiable by the consumer, he/she needs to revert to extrinsic product features such as brand name or country-of-origin to satisfy these needs. In contrast with intrinsic features, where knowledge or information is in many cases not available for the consumer to evaluate the various qualities of the product, extrinsic features are readily available – not only at the point of purchase when the qualities of the product are evaluated, but also when the product is used and certain needs have to be satisfied. A

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luxury brand name has the advantage of relying on extrinsic features such as the brand name or country-of-origin information to play an important role in consumers' evaluation of the quality of their product. Smaller or unknown brands, producing excellent quality products, need to rely on either the consumer having sufficient knowledge to identify good quality, or the availability of sufficient information sources, such as sales personnel or product labels to assist the consumer in identifying a product during the decision-making process that will influence their purchasing intent.

To date, South Africa has not been included in international research regarding female consumers' knowledge and the importance of country-of-origin information on exotic crocodile leather products that may play a role in their purchasing intent during decision making. This has left the South African exotic leather industry in the dark as to how to brand their crocodile skin products for the South African luxury market, as well as which information (knowledge) is needed by this consumer group to make informed choices regarding South African manufactured crocodile skin products.

As females are still dominating the luxury market, the purpose of this study is therefore to explore and describe the role of knowledge and the importance of country-of-origin information in female consumers' purchasing intent of exotic crocodile leather accessories.

1.3 JUSTIFICATION OF RESEARCH

Exotic Leather South Africa (ELSA), is a non-profit company which has been established in South Africa to assist the local exotic leather industry (Cape Cobra, 2013). The mission of this non-profit organisation is to increase global awareness of South Africa's exotic leather industry to compete with other leading industry companies (Cape Cobra, 2013). The exotic leather industry could be a significant contributor to improve the South African economy and decrease the unemployment rate by creating a local and international market demand with Proudly South African luxury leather brands. This non-profit company can increase the consumer's knowledge and improve the negative association with South African exotic leather's quality among local and international consumers. Consumers could use the information provided by ELSA to gain more knowledge and confidence when considering purchasing an exotic leather accessory product produced in South Africa, thereby improving

the image of the country and increasing the importance of country-of-origin information among consumers.

The crocodile leather products manufactured in South Africa can be clearly marketed as South African products by placing visible labels onto these products, representing the products' authenticity. Customers can gain more information and confidence in the product, by branding these types of products with information of the country-of-origin onto the labels of the exotic crocodile leather products. South African consumers and international consumers could possibly associate or perceive exotic leather accessories made in South Africa with high quality, and this would contribute to the South African luxury exotic leather industry and would increase competing opportunities with international luxury brands such as Hermés or Louis Vuitton. The correct information can support the consumers' purchase intent when needed to satisfy their need.

The findings of this study should assist the researchers, the tanneries, manufacturers, retailers, marketers and luxury companies, to understand the role of knowledge and the importance of country-of-origin information in South African female consumers' purchasing intent of an exotic crocodile leather accessory. The study will determine female consumers' subjective and objective knowledge of exotic crocodile leather accessories, whether they find country-of-origin information important, and their degree of purchasing intent for exotic crocodile leather accessories, as well as the role of product knowledge and the importance of country-of-origin information in their purchasing intent.

1.4 THEORETICAL BACKGROUND

Knowledge of intrinsic product features as well as the information on country-of-origin could play an important role during the first three decision-making stages, specifically during information and evaluation of alternatives, in order to satisfy a consumer's needs when using the product (Solomon & Rabolt, 2004). A social-cognitive perspective sheds light on the decision-making process and consumers' cognitive behaviours. The consumer's decision-making process can be viewed from three perspectives. These three perspectives are identified as rational decision-making perspective, experimental decision-making perspective, and behavioural influence decision-making perspective (Solomon & Rabolt, 2004; Babin & Harris, 2013). Most often decisions are made from a rational perspective, also

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known as the traditional decision-making model (Solomon & Rabolt, 2004). A consumer will gather information to evaluate various brands or products and make purchasing decisions. Babin and Harris (2013) mentioned that consumers are rational when considering their decisions and the value associated with a purchase. In some cases consumers do not think extensively about every single decision that needs to be made, and will use little cognitive effort (Solomon & Rabolt, 2004).

An experiential decision-making perspective can be explained as the way in which a consumer makes decisions or purchases based on affect, or feelings, attached to the product and are highly involved during the decision process (Solomon & Rabolt, 2004; Babin & Harris, 2013). The process is not based on an extensive cognitive search but rather on the experience and enjoyment (hedonic value) that the product provides.

Some purchases are based on impulsive decisions where the consumer is influenced by responding to environmental cues rather than cognitive decision-making (Solomon & Rabolt, 2004; Babin & Harris, 2013). These types of choices can be described as a behavioural influence perspective. The consumer is influenced by the physical surroundings at that moment. Stores use music, smell, lighting, and colour, to influence the consumer to make an impulse decision. A decision-making process leads to choice when a brand or product has been identified to make a purchase (Babin & Harris, 2013). The amount of involvement and effort differs during decision-making because some choices are perceived as more important than others (Solomon & Rabolt, 2004).

The consumer's decision-making process contains five stages: problem recognition, information search, evaluation of alternatives, purchasing, and post-purchase behaviour (Solomon & Rabolt, 2004; Lamb, Hair, McDaniel, Boshoff, Terblanche, Elliott & Klopper, 2011; Babin & Harris, 2013). This can be identified as the traditional or rational decision-making process. An exotic luxury crocodile leather product can be identified as a fashion item, which creates experience and excitement. Knowledge and information are gained through learning, which assists the consumer in the following steps during the decision-making process: information search, evaluation of alternatives, purchase, and post-purchase behaviour. If a consumer considers purchasing a luxury item, he/she will use the product's intrinsic cues and extrinsic cues as evaluative criteria. When consumers recognise a need

they search for information regarding the product to make their final decision. Information search behaviour activates the consumer's knowledge, either stored in memory or through past experiences (Kerstetter & Cho, 2004). Individuals with little knowledge of a product will have to do extensive research and spend a large amount of time because they do not have the confidence level to make a purchase (Kerstetter & Cho, 2004). An information search can occur internally or externally. When a consumer recalls information stored in his/her memory, it is referred to as internal information research which is formed through past experiences (Lamb *et al*., 2011). When information is collected and processed, a set of alternatives is available for the consumer to make a decision regarding the products. The consumer compares alternatives when the information is stored in the consumer's memory to make a final decision (Lamb *et al.,* 2011). If the consumer develops a positive attitude towards the product during use, the retailers can benefit from it and gain loyal customers (Puccinelli, Goodstein, Grewal, Price, Raghubir & Stewart, 2009).

Many fashion purchases are impulsive and create excitement at that moment (Solomon & Rabolt, 2004). A luxury exotic crocodile leather product decision is not an impulsive decision but leans more towards a combination of experience and rationality. The exotic crocodile leather product provides a point-of-purchase experience and excitement (experiential perspective), but is too expensive for it to denote impulse purchase behaviour. The fashion and traditional decision-making process can be used as a combination for a consumer considering to purchase a luxury exotic crocodile leather product. Instead of a need the consumer changes their desired state and creates an opportunity (want). The extended problem solving is used to make a decision on a luxury exotic crocodile leather product as well as fashion related evaluative criteria to make a final choice.

Consumer decisions can be classified into three categories: habitual (routine) response, limited decision making, and extended problem solving (Solomon & Rabolt, 2004; Babin & Harris, 2013). Extended problem solving is used by the consumer when the consumer's involvement is high, the product is expensive, and the information search is extensive (Solomon & Rabolt, 2004). Consumers use extended problem solving to evaluate alternatives of a luxury exotic leather product. Consumers do not always have the time or applicable information available to make use of extensive problem solving when deciding to buy a product. Consumers use easily accessible information or mental shortcuts (heuristics) to

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make an informal purchase decision, especially when limited problem solving occurs (Solomon & Rabolt, 2004; Bloemer *et al.,* 2009). Extrinsic-related cues can be used as mental shortcuts by the consumer, with country-of-origin information which can play an important role during the decision-making process (Yasin, Noor & Mohamad, 2007) and can influence their purchasing intent (Pappu, Quester & Cooksey, 2006).

1.5 CONCEPTUAL FRAMEWORK AND OBJECTIVES

1.5.1 Conceptual framework

The focus of this study is the role of product related knowledge and the importance of country-of-origin in female consumers' purchasing intent of exotic crocodile leather accessories during the decision-making process.
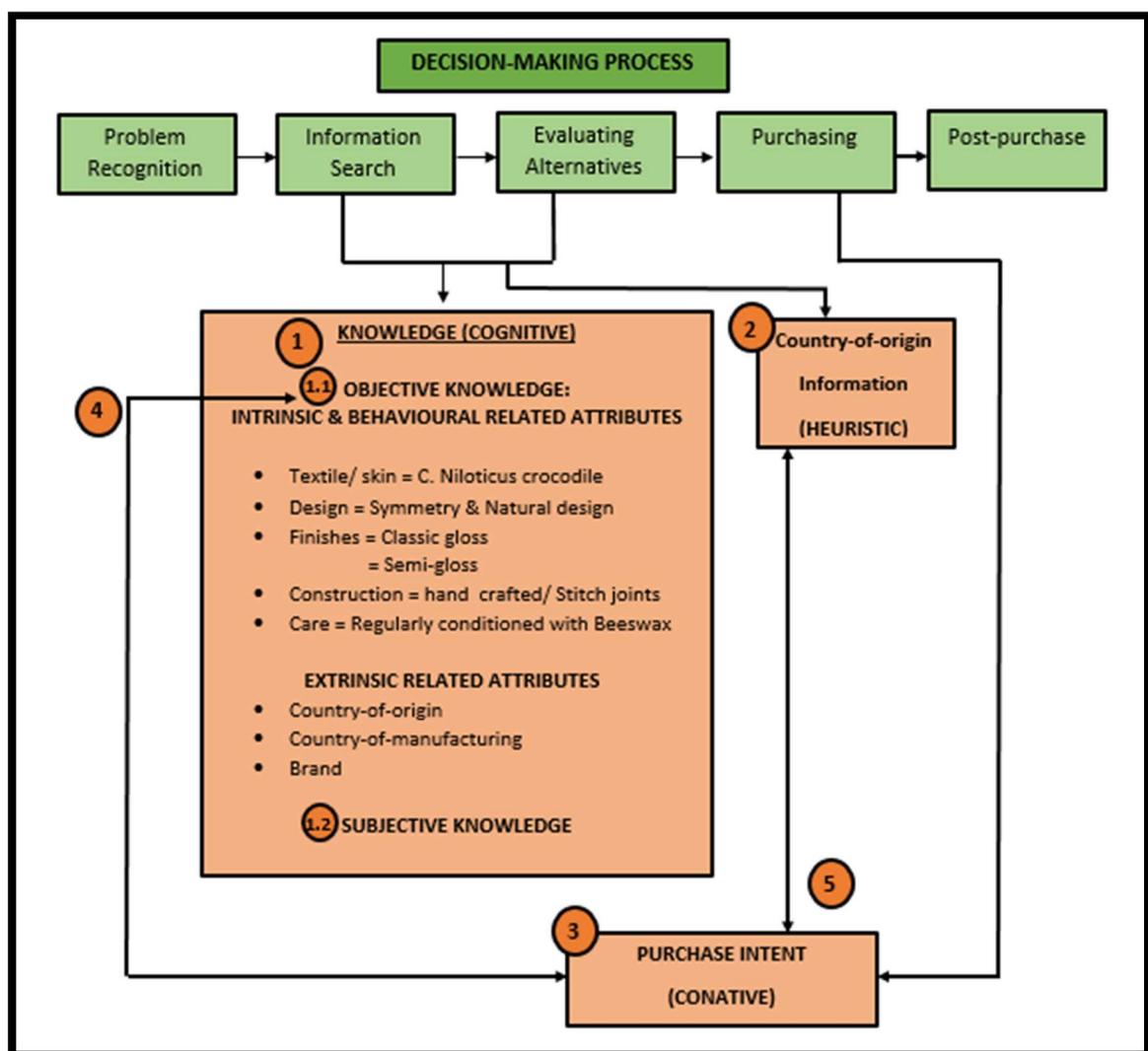
FIGURE 1.1: CONCEPTUAL FRAMEWORK

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The traditional decision-making process consists of five stages: problem recognition, information search, evaluation of alternatives, purchasing, post-purchase behaviour (Solomon & Rabolt, 2004; Babin & Harris, 2013). Product knowledge and information are gained and used during the stages of information search and evaluation of alternatives during the decision-making process. Brucks (1985) distinguishes between objective knowledge and subjective knowledge. Objective knowledge is what the consumer actually knows about the product (Sub-objective 1.1). The consumer could have objective knowledge regarding the intrinsic-related and behavioural attributes, and also extrinsic-related attributes of exotic crocodile leather accessories. Features of the exotic crocodile leather product that cannot be altered are defined as intrinsic-related attributes. These attributes are the textile, design, finishes and construction of the exotic crocodile leather accessories. The study is conducted in South Africa; therefore the C. Niloticus crocodile skin is referred to as the 'textile'. The symmetry in design of the crocodile leather accessories is extremely important because it indicates the authenticity of the exotic luxury product. The natural design of the crocodile is less regular compared to stamped leather products. The finishes are also an indication of quality, durability and price range. The classic gloss finish has a high gloss effect but is less durable than a semi-gloss finish on a genuine crocodile accessory. Classic gloss will only be used for products that are not used that often, such as smaller purses or clutches. The exotic crocodile leather accessories are constructed by hand, which indicates the products' quality and authenticity. Stitched joints on a crocodile skin briefcase are also an indicator of high-quality genuine crocodile leather. The exotic crocodile leather product should be taken care of by using a damp cloth to clean the product surface and beeswax to condition the leather. These intrinsic-related attributes and behavioural qualities are important information that the consumer should know. However, if the consumers have low objective knowledge on the exotic crocodile accessories' intrinsic-related attributes and behavioural qualities, they will rely on extrinsic-related attributes. Extrinsic-related attributes are attributes that can be changed without changing the product. These attributes can be identified, among others, as the country-of-origin, country-of-manufacturing and brand name. Consumers who think or perceive that they have knowledge regarding a product, their knowledge is known as subjective knowledge (Sub-objective 1.2). By

measuring the subjective knowledge, one could understand the consumers' degree of what they think they know or perceive on exotic crocodile leather accessories.

If consumers have low knowledge regarding the exotic crocodile leather accessories or do not have time to do additional information searches, and evaluate the alternatives regarding the specific product, they will most probably use mental shortcuts (heuristics) or easily accessible information, to make a final purchasing decision (Objective 2). Extrinsic features such as country-of-origin information is easily accessible information for the consumer, because this information will be available on the label of the exotic crocodile leather accessories.

After searching for information and evaluating alternatives the consumers have to make the choice whether to purchase the product or not (Objective 3), which will be determined by their behaviour towards a specific product. Previous research (Gronhaug, Hem & Lines, 2002) has shown that purchasing intent cannot be influenced by behaviour alone. In line with the purpose of this study, the relationships were determined between consumers' purchasing intent and their objective knowledge regarding the intrinsic-related attributes and extrinsic-related attributes of exotic crocodile leather accessories (Objective 4). As the consumers sometimes use mental shortcuts to gain information, the relationship between the consumers' viewpoint on the importance of country-of-information and their purchasing intent was also determined (Objective 5).

1.5.2 Objectives

The objectives for this study are as follow:

Objective 1: To determine South African female consumers' knowledge of exotic crocodile leather accessories.

- **Sub-objective 1.1:** To determine South African female consumers' objective knowledge of exotic crocodile leather accessories
- **Sub-objective 1.2:** To determine South African female consumers' subjective knowledge of exotic crocodile leather accessories

Objective 2: To determine the importance of country-of-origin-related information on an exotic crocodile leather handbag for South African female consumers

Objective 3: To determine South African female consumers' purchasing intent for exotic crocodile leather accessories

Objective 4: To determine the relationship between South African female consumers' objective knowledge of exotic crocodile leather accessories and their purchasing intent

Objective 5: To determine the relationship between the importance of country-of-origin information of exotic crocodile leather accessories and the female South African consumers' purchase intent

1.6 RESEARCH DESIGN AND METHODOLOGY

1.6.1 Research design

To obtain the necessary information from respondents, a quantitative descriptive approach was followed by developing an electronic survey design. Quantitative methods offered statistical legitimacy and it reflected precisely the population that was being studied (Van der Stroep & Johnson, 2010; Berndt & Petzer, 2011). A cross-sectional study was used to conduct the research. The survey was conducted at a specific point in time and reflected the conditions at that time when the survey was distributed (Berndt & Petzer, 2011; Fouché, Delport & De Vos, 2011:156), which was the role of knowledge and importance of country-of-origin information in female consumers' purchasing intent of exotic crocodile leather accessories. The questionnaires were distributed during the beginning of March 2016 until the end of March 2016 by Consulta Research Company. The research company used their own database.

1.6.2 Research methodology

As mentioned above, quantitative data was collected by using a self-administrated online questionnaire which was distributed by a research company called Consulta.

1.6.2.1 Sample and sampling

Sampling was done to narrow down the research to a specific consumer group that was applicable for this study and to understand the research problem (Strydom, 2011:224). The unit of analysis for this study was South African female consumers, aged 18 to 65, who had a monthly household income of between R 25 000 and R 100 000 or more. The research

company Consulta had a database of respondents who filled the sample criteria and the company distributed the questionnaires to that specific group of respondents. The study specifically concentrated on exotic crocodile leather accessories, which is a subset category in the luxury apparel industry. The final sample group consisted of females (N = 337), who were South African citizens and most of them were Caucasian (60.70%), between the ages of 36 and 55 years (58.40%), and had a monthly household income (42.50%) of between R40 001 and R100 000.

The way in which the sampling unit for this study was selected was through a non-probability sampling method. Non-probability sampling can be described as arbitrary and subjective, which means there is a certain pattern in mind but not all individuals in the population have the same chance of being selected (Berndt & Petzer, 2011). The type of non-probability sampling that was used is called convenience sampling. It included respondents from a specific subset of the population that were readily available (Berndt & Petzer, 2011; Strydom, 2011: 232). A response rate of 10% was expected and 337 completed questionnaires were retrieved for this study.

1.6.2.2 Measuring instrument

The measuring instrument used to collect the data was a structured computer-assisted self-administered questionnaire (Addendum A). Categorical data was collected, therefore the measuring instrument consisted of scales that captured nominal and ordinal data. Scales from previous research studies were adapted for the purpose of this study. The questionnaire was part of a bigger study and only the following five sections were relevant to this specific study: **Section A**, which consisted of demographic questions to determine whether the respondent was compatible with the sampling. **Section D**, which measured the purchasing intent on a five-point Likert scale (1 = Never, 2 = Maybe, 3 = Not Sure, 4 = Probably, 5 = Definitely), adapted from Spears and Singh's (2004) purchasing intent scale. Product knowledge was divided into two sections, subjective knowledge (**section E**) and objective knowledge (**section F**). Subjective knowledge was measured with an adapted scale of Flynn and Goldsmith (1999) with a five-item five-point Likert scale (1 = A great deal, 2 = Quite a lot, 3 = A little, 4 = Hardly anything, 5 = Nothing). Objective knowledge was theoretically divided into intrinsic-related attributes and extrinsic-related attributes.

Objective knowledge was measured by self-developed questions on intrinsic-related attributes and behavioural qualities, and extrinsic-related attributes of exotic leather accessories. The questions were based on the study done by Brucks (1985) and Rao and Monroe (1988). The statements asked the respondents to answer True, Not Sure or False, which determined their degree of objective knowledge. Lastly, **section G** measured the importance of country-of-origin information with an adapted scale from Pisharodi and Parameswaran (1992) and Yasin *et al*. (2007). The respondents were asked to indicate the level of importance of country-of-origin information on a five-point Likert scale (1 = Of no importance, 2 = Somewhat important, 3 = Moderately important, 4 = Important, 5 = Extremely important).

1.6.3 Data analysis

After the questionnaires had been completed and gathered, the data was coded and sent to the statistician, where it was captured and analysed using the SPSS software. The purpose of the data analysis was to turn the data into an interpretable form so that the objectives of the study could be examined, tested, and interpreted. It involved the procedure of assembling, classifying, tabulating and summarizing numerical data to obtain meaningful information. Descriptive and association methods were used to analyse the data. Descriptive statistics can be described as a method used for presenting quantitative descriptions in a manageable form by organising, summarising and interpreting numerical data (Babbie & Mouton, 2001: 459; Fouché & Bartley, 2011: 249). The data was illustrated and presented in pie charts and frequency tables to make it easier to analyse and turn into information. The descriptive statistics also included calculating the mean, standard deviations, percentages, and frequencies where necessary. Pearson correlation was used to understand the relationship between two variables. The relationship between the female consumers' objective knowledge and their purchasing intent was analysed by using the Pearson correlation. A Spearman correlation is a nonparametric measure of strength and direction of association that exists between two variable (Williams, Sweeney & Anderson, 2009). The relationship between the importance of country-of-origin information in the female consumers' purchasing intent was analysed using Spearman correlation.

1.7 COMPOSITION OF THE DISSERTATION

The dissertation consists of seven chapters, namely:

- *Chapter 1:* Introduction

  This introductory chapter introduces the background to the study and presents the research problem. The theoretical perspective, research design, methodology and the composition of the study are briefly described.

- *Chapter 2:* Literature review; The luxury leather industry: globally and locally

  The study has two literature review chapters. Chapter 2 presents the background of the global luxury industry as well as the South African luxury industry. The study specifically focuses on exotic crocodile leather, therefore the exotic crocodile leather accessories market is explained from a global and a South African point of view.

- *Chapter 3:* Literature review: Consumers' knowledge about luxury leather products, their product evaluation and purchase intent

  This chapter presents various sources relevant to the topic of the study. It sheds some light on the role of product knowledge in consumer behaviour, and specifically the role of knowledge in the consumers' decision-making process, the types of product knowledge as well as the quality evaluation, such as the intrinsic features and extrinsic features of an exotic leather accessories. The chapter secondly sheds some light on country-of-origin information and finally on the concept of purchasing intent.

- *Chapter 4:* Theoretical perspective

  This chapter explains the theoretical perspective which was used as a guideline to structure the conceptual framework

- *Chapter 5:* Research design and methodology

  This chapter presents the research design and methodology used to address the research objectives for this study, as well as ethical considerations and methods used to ensure reliability and validity for a quantitative research approach for this study.

- *Chapter 6:* Results and discussion

  This chapter presents the results in accordance with the objectives and relevant sections in the questionnaire according to the objectives used for this study.

- *Chapter 7:* Conclusion

  Conclusions are discussed, the contribution of this study to existing theory is highlighted, while an evaluation of this study the limitations of the study, and the implications drawn from the findings are also summarised. Then a few recommendations are made for further studies.

CHAPTER 2

LITERATURE REVIEW:

THE LUXURY LEATHER INDUSTRY: GLOBALLY AND LOCALLY

This chapter presents the background of the global luxury industry as well as the South African luxury industry. The study specifically focuses on exotic crocodile leather, therefore the exotic crocodile leather accessories market is explained from a global and a South African point of view.

2.1 INTRODUCTION

The study's focus is on luxury exotic leather accessories (crocodile and ostrich leather handbag or purse), therefore the concept *luxury* should be defined and the luxury industry's main concepts should be identified and described. The word *luxury* originated from the Latin word *luxuria,* which means a "… comfortable and expensive living or surroundings" (*Oxford Dictionary*, 2007). According to Wiedmann, Hennings and Siebels (2007:1) luxury can be defined as the highest level of prestigious brands encompassing several physical and psychological values and the consumption of luxury goods involves purchasing a product that represents value to both the individual and their reference group. Yeoman (2010) stated that luxury is not only about the monetary value, but rather about the experience and authenticity that the consumer receives when consuming the prestige product. According to Kemp (1998), each individual will perceive a luxury product differently; it would relate to one's cultural background and socioeconomic context (Vigneron & Johnson, 1999; Wiedmann, Hennings & Siebels, 2007).

A luxury product has identifiable variables such as exclusivity, quality, eco-awareness and ethical lifestyle, premium price, and indicates power (Hume & Mills, 2013). A product that is produced with excellent technical innovation and where attention is given to the craftsmanship during production, such a product can be acknowledged as prestige (Vigneron & Johnson, 1999), and the consumer would perceive it as of superior quality (Dubois &

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Czellar, 2002). An exotic crocodile leather product will be accepted as a prestige product when it provides excellent craftsmanship, ethical lifestyle, exclusivity, entertainment and quality. Wiedmann, Hennings and Siebels (2009), identified four luxury value dimensions, each consisting of a variety of value constructs which determine prestige behaviour and influence purchasing intention during the decision-making process (Zhang & Kim, 2013). The four luxury value dimensions are Financial, Functional, Individual, and Social. Financial value is the direct monetary aspects of the product and Functional value refers to the product benefits such as quality, usability, uniqueness, and durability (Wiemann *et al*., 2007; 2009). Individual value can be explained through the customer's personal orientation towards luxury which is known as materialism, hedonism and self-identity. Lastly, Social value can be explained as how the consumer perceives a product or service in her own social group and the symbolical desire to be part of that group (Wiedmann *et al*., 2007; 2009; Wiedmann, Hennings & Klarmann, 2012).

2.2 THE GLOBAL LUXURY MARKET

The overall luxury market globally is slower but steadier than previous years and grew by 7% in 2013, then slowed down by 5% in 2014 (D'Arpizio, Levato, Zito & Montgolfier, 2014). According to D'Arpizio *et al*. (2014), the reasons for this slow but steady growth are that the global economy is recovering from the financial crisis in 2008, the international trend to travel, and society being more concerned about the product's sustainability (*The Economist*, 2014). The United States is the largest luxury market, followed by Japan. The United States and Japan are the largest luxury markets, and although Japan's consumers most likely purchase luxury products locally, those markets still helped the luxury industry to grow and recover since the financial downturn (D'Arpizio *et al.,* 2014; Deloitte, 2014). United States accounts for approximately 25% of the global sales of luxury goods and has recovered and grown the fastest during the post-recession period (Deloitte, 2014). Japan's sales of luxury goods have grown slower over the last five years than any Asian market but changes occurred in the middle of the year 2013 by their introducing a new economic policy. Japan being one of the best performing markets globally, indicated an increase of 10% at a constant exchange rate in the year 2014 (D'Arpizio *et al.,* 2014). Europe is mending from the recession that transpired in 2012. Despite the economic downturn and socio-political pressure, Europe has shown a positive increase of 2% in luxury sales, largely relying on

international tourists (D'Arpizio *et al.*, 2014; Deloitte, 2014). Italy, Germany, the United Kingdom and Spain are part of the top ten luxury markets in the world. Italy and Germany follow after the second largest luxury market, namely Japan (Deloitte, 2014). China is fifth in line in the luxury market because of slow and negative growth of minus 1% at a constant exchange rate in 2014 (D'Arpizio *et al.*, 2014). The main reason for this negative trend is because the manufacturing segment has been negatively influenced by the decrease in overseas growth and demand (Deloitte, 2014).

Regardless of the slow growth in 2014, certain factors will affect the industry negatively as well as positively in the coming years. Negative factors are the Chinese affluent consumers feeling financially pressured, the Ebola outbreak in Africa, civil wars in the Middle East and Greece withdrawing from the Eurozone (Khan, 2015; Deloitte, 2014). On the positive side, India is showing improvement for 2015 in the luxury market and consumers are reshaping the experience of purchasing luxury goods by connecting with retailers through e-commerce (Khan, 2015).

The luxury accessories category, which is part of the overall luxury goods market, specifically the leather industry, is the focus of this study. The luxury accessory category formed 29% of the overall luxury goods market and grew in 2014 by 4% (D'Arpizio *et al.*, 2014). Luxury leather goods are one of the biggest categories in the accessories market and grew by 3% in 2014 (D'Arpizio *et al.*, 2014). The biggest market for the luxury goods industry is the tourist market, desiring a whole new experience and authenticity of local trends. More consumers are committing to luxury products; 130 million such consumers are in the emerging market and 10 million new consumers are entering the market each year. Many ageing affluent consumers are spending more on the experience when purchasing a luxury product (*The Economist,* 2014). According to Bain and Company (2014), the customer base is shifting from a homogenous group of consumers to a broader heterogeneous consumer group, which is one of the reasons why the luxury market trends have been changing in the past few years. Bain and Company (2014) further identified seven Global luxury categories of consumers that describe the heterogonous luxury consumer group which have diverse behaviours and preferences. The first group is called the Omnivores; this refers to the new entrants in the luxury market who form part of the younger generation (D'Arpizio & Levato, 2014). They prefer to experiment with brands and demand an exclusive experience, which makes

Omnivores the least loyal among the luxury consumer groups. The next group, the Opinionateds' spending power is 20% and they form part of the Generation X and the Generation Y. They mostly purchase and favour leather goods and would preferably do intense research before purchasing a luxury branded product. The third group, the Investors, are early Baby Boomers and appreciate quality and durability which should represent a heritage piece that could be passed on to their next generation. The Investors are not influenced by advertising but rather rely on referrals (Bain & Company, 2014). The Hedonist consumer is demanding high-quality luxury goods and experience which should reflect their lifestyles. These consumers mostly purchase products from the accessories category (Bain & Company, 2014). They are influenced by advertising and typically not brand loyal. The Conservatives are part of the Generation X and these mature and mainstream consumers are price sensitive and influenced by their friends and family (D'Arpizio & Levato., 2014). Disillusionist consumers are mostly Baby Boomers. They are interested in leather goods or products that are durable and known as heritage brands such as Hermés (D'Arpizio & Levato, 2014). The Wannabe is a group that has little brand loyalty and is likely to have impulse behaviour. The Wannabe looks for affordable items to purchase and this is the smallest luxury consumer group among the others, accounting for about 5% of the spending power.

The heterogeneous consumer groups most likely to purchase luxury products are Opinionated's, Investors and Disillusionists. The Opinionated's are likely to purchase exotic leather because of their high degree of knowledge and they research the brand or product before purchasing (Bain & Company, 2014). This group can be known as novelist among luxury markets because of their degree of knowledge of brands; the South African luxury brands can market for this group by providing more information on their websites and in store. Disillusionists are part of the Baby Boomer generation and usually purchase heritage brands such as Hermés. This group would most likely be influenced by peers as well as social media, which may influence their level of knowledge or perception of the brand to make a purchase. Disillusionists will consider country-of-origin as their information search because of its association with heritage brands. Investors are influenced by their peers and consider intrinsic cues to determine the quality of the product, which will influence their purchasing intent. The Investors will most probably have a high degree of objective knowledge about a

product because they rely on durability and quality of the luxury product to make a purchase. This consumer might regard the luxury product as a functional luxury value.

Trends are reshaping consumer demands and influencing consumers' degree of knowledge and perceptions of luxury accessory products. E-commerce, social media and personalisation keeps the consumer more involved with the product, increasing their level of knowledge of the luxury product and the likelihood of a purchasing intention. Companies create aspiration for personal luxury products, which become an essential for consumers and make them feel more desirable, if they purchase an exotic skin handbag, for example.

Trends such as exclusivity, social media, Omni channel, globalization, tourism, democratization, fast fashion, customised products, and broader communication, can be identified (Deloitte, 2014; Keller, Magnus, Hedrich, Nava & Tochtermann, 2014). These global trends can influence the consumer's perception of the luxury product and whether luxury consumers would consider purchasing an exotic luxury leather product made in South Africa.

Exclusivity is defined as close to a specific product or brand that caters for a selective group (*Oxford Dictionary*, 2007), as well as a value variable that defines a luxury product (Wiedmann *et al.*, 2012). E-commerce is one of the fastest growing retail channels and the best way for companies to connect with their clients. It provides a whole new world of experience for consumers. Experience is gained through product consumption and information searches, which will give the consumer more knowledge stored in the memory and will influence future purchasing intentions (Park & Moon, 2003). If the consumer has experience with the brand, their level of confidence will also increase, which will influence their information search and purchasing intention. Luxury brands entered e-commerce later than most brands because the luxury retailers anticipated that the aesthetics and the retail experience their clients receive in store cannot be imitated on the internet (Deloitte, 2014; Jones, 2014). Omni channel is one of the latest trend where mobility and e-commerce combined gives the luxury brand the opportunity to promote their brand and products more effectively and globally (Deloitte, 2014). Givenchy created a mobile application to sell directly to the customers (Jones, 2014). This increases the image of the brand and gives easy access local South African consumers to purchase a product if it is not available in the

brand's store. The brand's image is positively associated with the experience and prior knowledge; therefore they will consider country-of-origin to make a purchasing intent.

Social media allows the consumer to interact with brands personally. Consumers from across the world can get immediate information regarding the brand, and instant gratification (O'Guinn, Allen & Semenik, 2013). International consumers can research a South African exotic leather product on social media to gain more information which would influence the purchasing intent. Luxury brands that use social media can increase the consumer's knowledge and country-of-origin's image perception. Okapi (a South African exotic leather brand) has a Facebook page and is also accessible on other social media platforms, which creates a global platform for present and future consumers to search for information regarding the brand's product. The South African brand Okapi creates products that have an African-ethnic feel to it by using certain materials such as crocodile, ostrich, or Springbok horns, which are all associated with Africa. Luxury brands are becoming more globalised because of the expanding and growing global middle class and direct access to the internet through mobile phones and tablets (Deloitte, 2014). This way luxury brands can expand their customer base and personalise their products. The reason for consumers' high expectations and demands is because online sites are open 24/7 across the world, providing the consumers with a new and exciting shopping experience such as daily deals and auctions (Keller *et al*., 2014). Okapi expanded their brand into London, to gain a wider customer-base and to compete with other luxury brands such as Burberry. The expansion of South African luxury brands to other countries can improve the consumers' perception of the image of the country and their knowledge of luxury exotic leather products made by local tanneries. Luxury goods companies rely on tourists to gain more revenue (Deloitte, 2014). Distribution channels such as airports are gaining a share in the luxury industry, which accounted for 5% of total luxury goods sales (D'Arpizio *et al.,* 2014). Tourists seek for the international local experience and want to explore the roots of the countries and purchase luxury goods that are significant to the country. Consumers have the desire to be associated with a certain brand and its origin.

Changing lifestyle trends and demographics such as more working women, fewer children per household, exclusivity replaced by mass availability, online retail sites that are accessible 24/7, eco-awareness and individualism, are also changing consumers' expectations and

immediate satisfaction (Yeoman & McMahon-Beattie, 2006; O'Guinn *et al*., 2013; Deloitte, 2014). The shift from collectivism to individualism has caused the consumer to steer away from tradition and increase expenditure, which makes the consumer more enthusiastic to try new products (Yeoman *&* McMahon-Beattie., 2006). The consumers are also more aware of products that are sustainable and environmentally friendly (Yeoman, 2010; Keller *et al*., 2014). Keller *et al*. (2014) explained that a product that represents sustainability should be ecologically harmless, with reduced production of pollutants, should be socially committed and should not be treated with harmful dyes; also, the animals should not be harmed unnecessarily. Hermés makes use of exotic animal leather to design accessories but only uses farms that are registered with the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). Okapi makes use of South African tanneries that are registered with CITES and the entire production process reflects sustainability. This additional knowledge among the luxury consumers will influence their behaviour and their perception of the brand's country-of-origin. By expanding the client base for luxury goods by customising the products, brands can design limited product editions, and exclusive assortments for the internet and flagship stores. This creates brand loyalty and advocacy (Deloitte, 2014). Cape Cobra Leathercraft is a South African luxury leather product brand, which can personalise the consumer's product with initials onto any style product they offer or design, and thus produce an exclusive product according to the customer's needs.

South Africa is one of the emerging markets and an opportunity for international companies to invest, announced by Euromonitor (Deloitte, 2014). Yeoman and McMahon-Beattie (2006) stated that products should meet consumer's aspirational needs because "… the world is getting richer and the consumer has more disposable income …" Despite the slow but steady growth of the luxury market for the past few years, a reflected growth rate of 4% to 6% is expected by 2017. D'Arpizio *et al*. (2014) forecast further that the luxury market will be more resilient to future economic inclines and depressions. South Africa's latest trends create opportunities for international luxury companies to expand their brand into the country, which could generate higher profit margins.

2.3 THE SOUTH AFRICAN LUXURY MARKET

The expanding middle class in African countries such as Nigeria, Angola, Ghana, Mozambique and Kenya, increased sales by approximately 11% in 2013 (D'Arpizio *et al*., 2014). The luxury goods sales grew by 35% between 2008 and 2013 in sub-Saharan Africa because this region has the second fastest economic growth after Asia Pacific (Moorad, 2014). Oliver Merkel, partner at Bain and Company in South Africa, stated (Moorad, 2014), "… the growth of the luxury goods market in Africa is driven by strong disparity in incomes".

After the soccer World Cup, hosted by South Africa in 2010, the luxury market created opportunities for luxury brands to invest in the country (Moorad, 2014). The South African luxury market had a stable growth of 3-4% in 2014, despite the weak local currency (Euromonitor, 2015). South Africa's diverse population makes it one of the emerging markets for luxury goods (Deloitte, 2014). The growth of the middle-class consumers in South Africa creates a demand for luxury in the market segment, although the country faces a slow economy (Naidoo, 2014).

The evolving black middle-class population is referred to as 'Black Diamonds'. The growth in the Black Diamonds' spending power gives a high outcome to South Africa's gross domestic product (Moodley, 2007). This evolving segment has access to new facilities, namely credit, disposable income and internet, which influence their growth in the market (Radebe, 2013). The global economic crisis also had an effect on the South African economy over the last four years (Steyn, 2014). The South African economic growth slowed down from 2.2 % in 2013 to 1.5% growth in 2014 (Statistics South Africa, 2015:5). Trends in South Africa that impact the luxury industry in the country are tourism and shopping mall attractions, e-commerce, expanding internet connection, and targeting female consumers.

Moorad (2014) explained that Nigeria's affluent consumers are aroused to shop in different countries such as Dubai and South Africa, because there is a lack of shopping malls in Nigeria that present luxury stores like Louis Vuitton or Burberry. In South Africa, the Sandton Mall and the Victoria and Alfred Waterfront are the leading shopping malls to host international luxury brands such as Burberry, Chanel, and Gucci. This attracts a large portion of tourists to Johannesburg and Cape Town. The tourists find the luxury goods less expensive because of the weak South African currency compared to other countries (Euromonitor, 2015). South

Africa therefore remains a leading destination for shopping in Africa because of the wide diverse international brands expanding into the country (Naidoo, 2014).

The e-commerce industry in South Africa is increasing because local consumers are becoming more comfortable with this type of purchasing channel (Chang, 2015; Harding, 2015). Online sales have increased by 94% from 2013, with Johannesburg and Cape Town having the most online sales, namely 24% and 20% respectively (Harding, 2015). Local retailers such as Okapi and Cape Cobra are expanding their distribution channels by entering e-commerce. This change increases the retailers' customer base by providing a variety of assorted products onto their websites which could be purchased anytime, anywhere (Harding, 2015). A Wireless Network is a basic need in the 21st century, so that consumers can have a direct and free access to the internet (Chang, 2015). This improves the luxury market in South Africa and improves the knowledge of the consumers through their access to the internet anytime to search for more information. The Tshwane region started improving its internet connectivity and by 2016 the Wi-Fi reach will be established all over the region, located mostly around schools and universities (Chang, 2015).

Luxury products are targeting more female consumers in South Africa because of female consumers becoming more involved in the economy and also more South African women moving into more highly paid positions. The South Africa female consumer is influenced by the international fashion trends and is mostly interested in accessories and ageless pieces (Euromonitor, 2015).

Despite the slow economy and the high unemployment rate in South Africa, the luxury goods market is expected to grow between 20% and 30% over the next five years (Moorad, 2013). The international luxury brands imported into South Africa are expected to be influenced by the fluctuating exchange rates (Euromonitor, 2015). Most of the trends mentioned are positively influencing and strengthening the local luxury goods market.

2.4 THE SOUTH AFRICAN EXOTIC LEATHER INDUSTRY

South Africa is famous for its exotic C. niloticus crocodile (Nile crocodile) and ostrich leather. Approximately 80% of the South African crocodile raw hides are being exported, which leads to a loss of opportunity for the local economy and also a decrease in profits from tanning,

designing and producing leather products locally (Cape Cobra, 2013). After the Global financial crisis in 2008, the South African local exotic leather products decreased in demand on the international market, which had a significant impact on the local manufacturers (Cape Cobra, 2013).

For the purpose of this study, the focus will be on crocodile leather. The Nile crocodilians' skin is being recognised as a 'classic' which is one of the most desired skins to produce leather products from, because of the boneless belly of the Nile crocodile and aesthetically interesting patterning on the skin (Ferguson, 2010). Each year crocodile skin returns as a trend and luxury brands find new ways to incorporate the crocodile skin into their design. The Hermés Birken handbag keeps its repetitive design but has changed it into different colours and leathers. Crocodiles are being hunted for their meat and skins, but mostly for their skin. The meat is a by-product; only 10% of the meat is sold to upmarket restaurants in Europe and Far East (Van Rooyen, 2012; Caldwell, 2013). Crocodilian skins have been used for footwear, belts, and saddlebags since the 1800s (Crocodile Specialist Group, 2015). CITES has legislated the trade of crocodilian skins in 1975, and breeding farms were established to protect the animal from harm and extinction.

Approximately 1.34 million crocodile skins were traded in 2011; while the demand for American Alligator mississiepienis decreased, the number of Crocodylus niloticus skins increased, as reported by Caldwell (2013). In 2011, an average of 156 000 Crocodylus niloticus skins were exported, of which South Africa reported exporting 30,695 skins (Caldwell, 2013). South Africa has ±60 registered crocodile farms with a projected number of 500 000 crocodiles (Van Rooyen, 2012). About 10% of the skins are produced into accessories and sold locally. The other 90% of skins are exported to Europe and Japan (Van Rooyen, 2012). Various manufactures, such as, Hanneli Rupert, the founder of Okapi, design and produce proudly South African leather accessories made from exotic skins, such as crocodile.

2.5 THE CROCODILE LEATHER SUPPLY CHAIN

The supply chain consists of five phases: production, distribution, manufacturing, wholesalers, and consumers (De Villiers, Nieman & Niemann, 2012). These phases may each influence the quality of the product. An exotic leather accessory has intrinsic features such

as the textile, design, construction and finishing (Yasin *et al*., 2007; Brits, 2016). To ensure an excellent quality luxury exotic leather product's intrinsic features should provide durability, reliability, uniqueness and exclusivity to the luxury consumer (Wiedmann *et al*, 2007, 2009). The crocodile supply chain illustrates to farmers, manufacturers and retailers where value needs to be added or improved. Richard Schäfer (2016), the Director and Head of Sales at Cape Cobra Leathercraft, mentioned that the supply of the exotic skins is limited. Therefore the supply chain should be carefully managed to assure high-quality skins to produce luxury accessories.

The strategy used to implement the supply chain is vertical integration, which can be explained as the way the business expands into areas of the business that attend to different points of the production path (De Villiers *et al*., 2012). The ideal supply chain strategy for South African farmers or manufacturers would be to produce the final product such as a handbag, and export it to the luxury retailers or sell it locally under its own brand name, rather than exporting raw hides to other countries so that products can be produced there. Cape Cobra Leathercraft is a South African exotic leather brand as well as a manufacturer for other leading brands to produce their products (Schäfer, 2016). Richard Schäfer (2016) explained that they produce products for leading luxury brands to improve the South African luxury exotic skin market and also to get recognition for South Africa as a country that produces and supplies exclusive, crafted luxury exotic products of excellent quality. This will then improve luxury and quality perceptions among South African and international consumers, which will most likely increase the demand for South African luxury exotic products. The following diagram illustrates the flow of the South African crocodile supply chain:
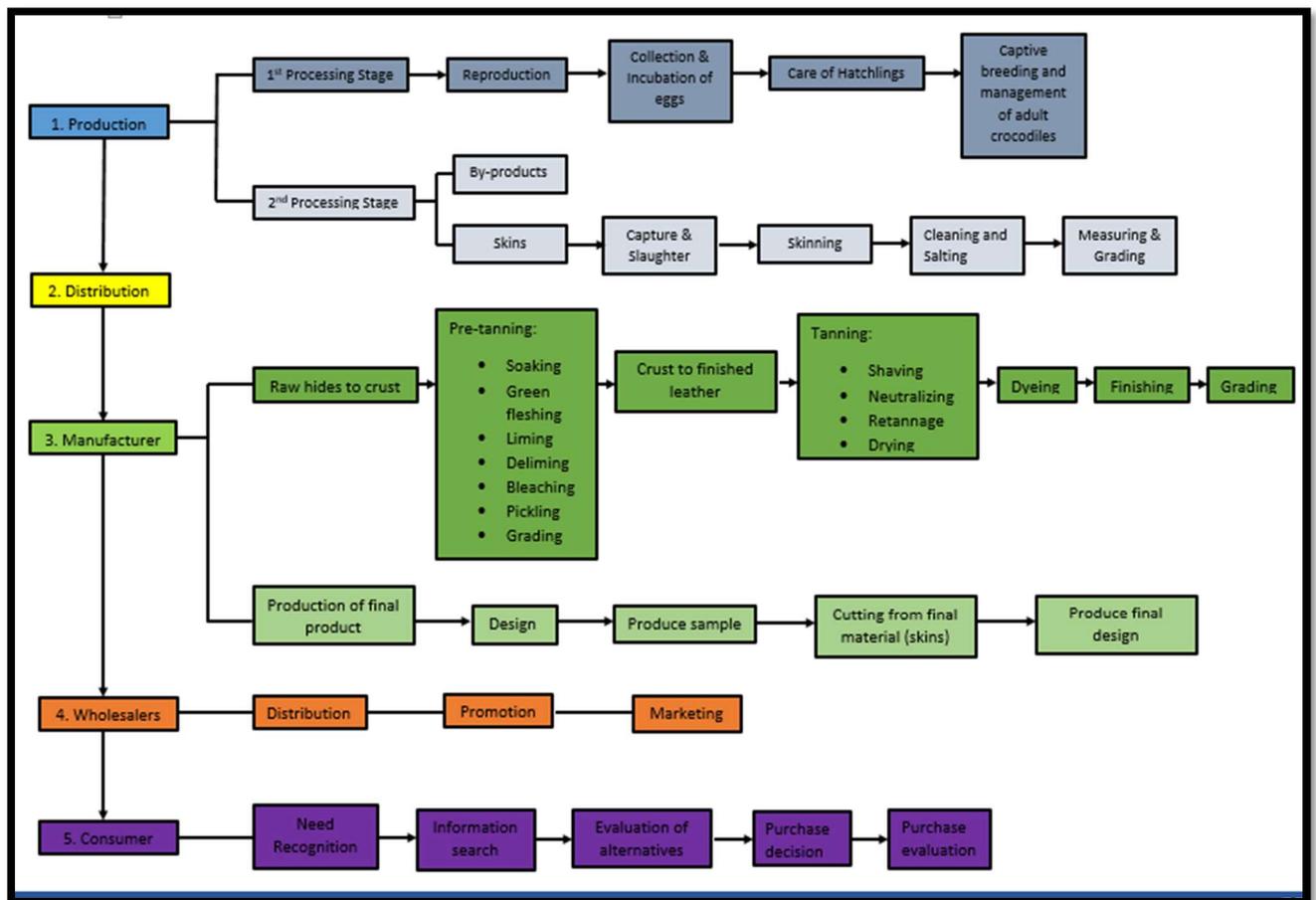
FIGURE 2.1: SUPPLY CHAIN DIAGRAM (Schäfer, 2016)

2.5.1 Production

The first step in the supply chain is production. Production consists of two phases, namely the first processing stage and the second processing stage. Value is added throughout these processes to ensure high quality skins. This step is part of creating the intrinsic cues that will influence a consumer's perception of the quality of a product and his/her final purchasing intention. The first processing stage consists of reproduction, collection and incubation of eggs, care of hatchlings, captive breeding and management of adult crocodiles (Colin, 2016).

It is not always possible to distinguish between male and female crocodiles by external appearance, except that the older males are larger than the females. The expected age of the first nesting of wild female Nile crocodile are between 10 to 15 years. Captive breeding ensures that the crocodile matures earlier than the crocodiles in the wild (FAO, 2015). The hard-shelled eggs are laid in clutches and covered by vegetation; sometimes the females

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bury their eggs in the ground. Depending on the temperature and environment, crocodiles breed between April and July, and nesting starts 3-4 weeks after mating (Tosun, 2013).

Breeding is usually seasonal and depends on an adequate depth of water for courtship and mating. Providing small, separate isolation pools with only a single male for breeding, can prevent the females from fighting and harming their skins for production, which also increases the quality value (Colin, 2016). The breeding crocodiles should be fed frequently and given a variety of foods such as whole animals with their fur or feathers, calcium and many other vitamins (FAO, 2015). Taking good care of the hatchling improves the textile of the final product (Colin, 2016).

The eggs are collected after 3-4 weeks of incubation of the embryo because by that time the membrane has become strong enough to withstand gentle movement (FAO, 2015). The eggs are removed from the nests and incubation starts in captivity. The crocodile egg is a translucent white when laid and after 45 days the egg will be opaque. The embryo reaches full term in 92 days. The incubation should occur at the correct and constant temperature and high humidity. Incubation can be achieved by mimicking the natural nests; in powered incubators the eggs are placed in rows on the incubator shelves (FAO, 2015).

The new hatchlings should be kept dry and out of the water for at least a day. Food for the first few days after hatching is not necessary but warmth is needed. The enclosure for the new hatchlings all depends on the time frame of their stay there; it should be divided periodically with different partitions dominant ones and the weaker ones. It is not advisable to place more that 50 to 60 crocodiles in one enclosure because diseases need to be prevented (FAO, 2015).

The second processing stage is the most important stage because it entails skinning the crocodile and consists of two phases, namely the skin and the by-products such as meat. The steps in the first phase involve capturing and slaughtering the crocodile, skinning, measuring, grading and preservation, and packing.

The crocodile skins are priced according to belly width but shrink during salting and cannot be measured exactly when the crocodile is still breathing (Colin, 2016). It is advisable to capture and slaughter all those crocodiles in one pen. The crocodile should be killed in a

humane manner with a .22 bullet or an electric bolt placed behind the eyes. Skinning takes place immediately after slaughter. Skinning is done with care to ensure that the skin is not harmed in order to add value to the end product. The skin is removed by cutting it away from the underlying tissue. After the skin has been removed it should be cleaned and salted to extract the water from the skin and preserve it until it reaches the tanneries (FAO, 2015; Colin, 2016).

The width is measured from the innermost edges, after shrinking has occurred when laid in salt. Skins are graded as high quality when the skin shows limited amounts of putrefaction, blemishes, stains, cuts, holes and lumps (Colin, 2016). A fault in the pattern of the skin will cause the skin to be downgraded. The skins should be stored in a cool area and packed with more salt between and over the skins. The crocodile meat is distributed to restaurants for consumption – an especially popular dish in Europe. Other by-products include crocodile oil and the gall bladder and penis used for Oriental medicine (FAO, 2015).

Value is added throughout this production step by giving the crocodiles the correct diet, small well-maintained pens (cleaning and maintaining the pens and water supply regularly) and skinning the animal carefully at slaughter. The crocodiles should be fed a well-balanced diet (Colin, 2016). A crocodile farm, Padenga Holdings in Zimbabwe, developed a largely vegetarian diet for the crocodile which produces higher quality skins (Karombo, 2015). The crocodile pens should be controlled to only 50 to 60 crocodiles because aggression can cause harm to the skins and decrease its value. South Africa uses only 10% of the skins to produce local leather accessory products (Van Rooyen, 2012). Each step in the production of the skin – although not visible to consumers – will ultimately have an influence on the quality of the final product.

2.5.2 Distribution and manufacturing

South Africa exports 90% of its raw hides to international tanneries, which means a loss for the country (Van Rooyen, 2012). The hides are tagged and transported by an aircraft. The raw hides are distributed to the manufacturer to proceed with producing leather to make the final products. The process to produce leather is pre-tanning, crust to finish leather, tanning, dyeing, finishing and grading. The leather can then be transported to a factory to produce the final products to sell to consumers. The products are designed according to

consumer preferences for the latest trend season, and the correct colours and finish are chosen. The consumer will use this knowledge to make their final purchasing decision.

The other intrinsic features, such as design, finishes and craftsmanship, are added during the manufacturing process of the supply chain. The demand for crocodile skin accessories are high as long as the luxury brands deliver different designs made from crocodile skin to keep the clients interested. The raw hides are distributed to the tanner to proceed with producing leather, turning the crust into leather, to make the final products. The aesthetics of the product should be according to the latest trends and the crocodile's skin should be symmetric in the belly area because it is the part that is being used for the final product (Brits, 2016). There are a few factors that determine the appearance of an exotic leather product. These factors are: the tanning of the leather, the tanneries' skills, the size of the skins, different parts used of the crocodile, and the quality of the skins used (Gleni, 2012). To create an aesthetic and fashion-forward product, the manufacturer applies a finish to the final product to make it more appealing to the consumer. The finish protects the leather from any harm and ensures a durable product (Colin, 2016). The skins can also be tanned and dyed into any colour. The crocodile skins have three types of finishes, namely the Classic high-gloss, soft gloss and Safari gloss. The finish used depends on the application and type of accessory. The Classic finish has a smoother, shinier appearance. The disadvantage of this process is that the skin becomes stiff and brittle which makes it less durable and more prone to watermarks and blemishes, therefore it is used for making items that do not need much abrasion and handling, namely belts, or a clutch bag (Brits, 2016). The Classic finish is only done in Singapore, which is a manufacturer's signature finish and exclusive, where they glaze the finish onto the skin (Colin, 2016). The Soft-gloss is sprayed on the skin and gives the final product a semi-glossy appearance. The Safari finishes has a natural, matte appearance and is much more durable than the Classic-gloss (Colin, 2016). These two finishes can be combined to give the final exotic leather product high-gloss with excellent durability and abrasion resiliency. A new finish, called Nano, is created by a South African tannery which gives the skin an appearance similar to the Classic finish, but more durable.

Grading is done after the finish has been applied. The crocodile skin is graded according to the age of the crocodile, the blemishes, the scabs should be a certain shape (smaller and bigger scabs, or graded differently), and the type of finish and which part of the skin. The

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belly of the crocodile is the most expensive part, followed by the head and tail (Colin, 2016). After finishing and grading, the leather can be transported to a factory to be produced or crafted into a final product to sell to consumers (Colin, 2016).

The production of the final product consists of the following steps: design, producing a sample, cutting of actual materials (example skins) from final pattern block, and lastly producing the final design. The design should have the essence of a classical style that represents luxury and quality, excellent craftsmanship (artisan), timelessness (heritage) and should be aesthetically appealing and of a well-structured style (Brits, 2016).

The accessory should be easy to maintain and clean. The skin should be periodically cared for with a damp cloth or a cleaner used specifically for exotic leather products. A conditioner such as beeswax moisturizes and seals the leather against any damage and makes it more flexible (Queck, 2012). This information should be given to the consumer before purchasing an exotic leather accessory product. The information can either be given by the sales assistants in store or on the care labels of the product.

2.5.3 Wholesalers and consumers

The final product is then transported to the luxury companies' retail stores across the world. Hermés has 340 stores worldwide (Dennis & Ciancio, 2012), where the brand's latest designs and styles are sold to consumers. The products are promoted to create demand, for example by placing an advertisement in a magazine that endorses high luxury fashion such as *Vogue* magazine. This way consumers will increase their knowledge and form their perceptions of the brand's country-of-origin (Schäfer, 2016). The demand for crocodile skin accessories is high as long as the luxury brands deliver different designs made from crocodile skin to keep the clients interested. The consumer will purchase such design if it is according to the latest fashion trend and if he/she perceives the product as high quality and as an investment (Schäfer, 2016).

The supply chain illustrates the path of the crocodile accessory products that are being produced and where value is added to ensure high-quality skins to satisfy the consumers' demand (Schäfer, 2016). Consumers will consider either the product's intrinsic features or its extrinsic features to understand whether the accessory is of a high quality. Consumers that

have information on the first three steps (production, distribution and manufacture) in the supply chain will have objective knowledge regarding the intrinsic cues of the crocodile product (Schäfer, 2016). The extrinsic cue, country-of-origin information, can be identified through the production step until the second last step, the wholesalers (Schäfer, 2016). The country-of-origin and country-of-manufacture can be the same for an exotic leather product. The role of knowledge and country-of-origin information has an influence on consumer purchase intention during the consumer's decision-making process, which can be identified in the last step of the supply chain (Schäfer, 2016).

2.6 CONCLUSION

An exotic leather product which provides excellent craftsmanship, ethical lifestyle, exclusivity, entertainment, sustainability and quality, can be defined as a prestige product. South Africa has a lack of labour skills and knowledge when rearing crocodiles and providing skins of high quality for leading fashion luxury houses. By improving the quality of the intrinsic features and extrinsic features throughout the supply chain, the South African manufacturers can change the perception of local exotic leather brands and its association with the country. The consumers can gain more knowledge through the non-profit organisation, ELSA, to evaluate the product features and improve their perception of South Africa as a country-of-origin for and a manufacturer of exotic leather accessories. The South African exotic leather brands can achieve international acceptance among luxury countries such as America.

Consumers could use information regarding a luxury product and its country-of-origin, which could influence their purchasing intention. Country-of-origin can have an effect on the consumers' evaluation when considering purchasing a luxury product (Piron, 2000). By gaining more knowledge, consumers' confidence would most likely increase so that during the decision-making process they would be able to do their evaluation based on intrinsic-related attributes than predominantly using extrinsic-related attributes.

CHAPTER 3

LITERATURE REVIEW:

CONSUMERS' KNOWLEDGE ABOUT LUXURY LEATHER PRODUCTS, THEIR PRODUCT EVALUATION AND PURCHASE INTENT

This chapter presents various sources relevant to the topic of the study. It sheds light on the role of product knowledge in consumer behaviour, and specifically the role of knowledge in the consumers' decision-making process, the types of product knowledge as well as the quality evaluation, such as the intrinsic-related attributes and extrinsic-related attributes of exotic leather accessories. It also sheds some light on country-of-origin information, and lastly on the concept of purchasing intent.

3.1 INTRODUCTION

It became clear in Chapter 2 that consumers seek luxury products, in this case the exotic crocodile leather that provides excellent craftsmanship, exclusivity, entertainment, and quality (Wiedmann *et al*., 2007; 2009). Product knowledge of intrinsic product-related attributes and extrinsic-related attributes such as brand name or country-of-origin information may play an important role in these consumers' evaluation of the product and their intent to buy a specific product.

3.2 THE ROLE OF PRODUCT KNOWLEDGE IN CONSUMER BEHAVIOUR

Knowledge has a significant role in consumer decision-making and influences the consumer's purchase intent (Brucks, 1985; Gronhaug *et al*., 2002; Lin & Chen, 2006). This, together with other individual factors such as perception, values and lifestyle, determines a consumer's behaviour and will influence her decision-making process (Lamb *et al*., 2011). A person gains knowledge through learning and searching for information about a product, which can then play a role in a consumer's behaviour. Cognitive learning is the psychological process wherein information is being processed, connotations are made and knowledge is gained (Babin & Harris, 2013).

Consumers gain product knowledge through exposure to the product and usage experience, media such as high-end fashion magazines, internet, interaction with sales assistants, and influence from family and friends (O'Cass, 2004). During comprehension both cognitive and affective components, also known as thoughts and feelings, are considered when the features of a product are being perceived and evaluated (Zeithaml, 1988; Babin & Harris, 2013). Knowledge is regarded as the structure of information stored and organised in the memory of the consumer (Brucks, 1985). Consumers form beliefs and evaluations about a particular product when the consumer processes information using product cues, which will also influence her purchase intentions (Yasin *et al.*, 2007).

3.2.1 The role of knowledge in the consumer's decision-making process

Internal memory is enriched through prior product knowledge (Brucks, 1985), which enables knowledgeable consumers to use and concentrate on specific types of information at that moment and to assist them in the decision-making process (Gursoy, 2003). Product knowledge has two components, namely familiarity and expertise (Alba & Hutchinson, 1987). Familiarity is defined by Alba and Hutchinson (1987:411) as the "…number of product-related experiences that have been accumulated by the consumer". Expertise refers to the ability of the consumer to perform product-related tasks (Alba & Hutchinson, 1987). Familiarity occurs in the early stages of learning. As for expertise, it represents the later stages of learning (Gursoy, 2003). Learning will influence the decision-making process and also the consumer's purchasing intent. Knowledge and information are gained through learning, which assists the consumer in the following steps during the decision-making process: information search, evaluation of alternatives, purchasing and post-purchase behaviour.

When consumers recognise a need they search for information regarding the product to make their final decision. Information search behaviour activates the consumer's knowledge, either stored in memory or gathered through past experiences (Kerstetter & Cho, 2004). Individuals with little knowledge of a product will have to do extensive research and spend a large amount of time because they do not have the confidence level to make a purchase (Kerstetter & Cho, 2004). Information search can occur internally or externally. When a consumer recalls information stored in his/her memory, it is called internal information

research which is formed through past experiences (Lamb *et al.*, 2011). A consumer that bought a Louis Vuitton handbag will recall the purchase and usage experience to make future decisions on purchasing a new product from the same brand. External information search happens when a consumer searches for information from the surrounding environment (Lamb *et al.*, 2011), for example when a consumer is influenced by a family member to make a purchase. Consumers that have extensive knowledge of a product will less likely search for additional information (Lin & Chen, 2006). A consumer's awareness of different alternative products is generated from past experiences or reaction to external information such as being familiar with a product when friends or family member have mentioned it before (Kerstetter & Cho, 2004).

When information is collected and processed, a set of alternatives is available to the consumer to make a decision regarding the products. The consumer compares alternatives when the information is stored in the consumer's memory to make a final decision (Lamb *et al.*, 2011). All the attributes of each alternative product need to be considered to eliminate the least possible choice. Thus, a consumer with extensive knowledge on a certain product category knows more about the product alternatives available. The consumer with this knowledge can make an easier purchasing decision due to a higher confidence level when evaluating each alternative in the specific product category (Gronhaug *et al.*, 2002). Gronhaug *et al.* (2002) also explained that consumers with higher levels of subjective knowledge (what the consumer think she knows about the product) have more confidence when evaluating alternatives. To support this theory, Brucks (1985) noted that during the decision-making process the consumer's self-confidence is related to the consumer's level of subjective knowledge, which means that the higher the level of subjective knowledge, the more confident the consumer would be and the more easily the final decision (although not necessarily the best) would be made. When consumers evaluate a crocodile leather handbag there are many alternative brands, such as Louis Vuitton, Hermes or Okapi, to consider when evaluating each alternative's attributes. The consumer will most probably decide to purchase the product that is most familiar to him/her and will have the confidence to make a purchasing decision. The consumer will evaluate either the intrinsic features or the extrinsic features of each product to make a final purchasing decision. The problem comes when consumers have little experience and low objective product knowledge regarding a

product; this lack can influence the way they search for information to make a purchasing decision (Brucks, 1985). The internal or external search can have either a positive or a negative influence on the consumer (Lamb *et al.,* 2011).

After evaluating the alternatives and a purchase has been made, certain expectations should be met by the product to satisfy the consumer's needs (Lamb *et al.*, 2011,) which then increases experience through usage (Desmet & Hekkert, 2007). If the consumer obtains a positive attitude towards the product during use, the retailers can benefit and gain a loyal customer (Puccinelli *et al.*, 2009).

3.2.2 Types of product knowledge

Applicable information is not always available when the consumer evaluates a product or intends to purchase it. Product knowledge is an important factor when a consumer decides whether to purchase a product (Lin & Chen, 2006). Product knowledge can be defined as the consumer's memories or known knowledge and the degree of being aware of, or the way the consumer understands, the product (Brucks, 1985). Brucks (1985) divided product knowledge into three categories, namely subjective knowledge, objective knowledge and experience-based knowledge. Previous studies explain the importance of product knowledge in the consumer's purchasing intent (Berger, Ratchford & Haines Jr., 1994; Lin & Chen, 2006; Shukla, 2010); it is also important whether the consumer evaluates a product according to his/her subjective or objective knowledge (Brucks, 1985; Zeithaml, 1988; Flynn & Goldsmith, 1999; North *et al.*, 2010; Jiménez-Guerrero *et al.*, 2012). O'Cass (2004) divided product knowledge into the following categories: familiarity, experience and expertise.

Objective knowledge can be defined as the actual information stored in the long-term memory (Brucks, 1985; Russo & Johnson, 1984; Park & Moon, 2003). Subjective knowledge can be explained as the amount of information the consumer thinks they know or perceive as knowing about a product (O'Cass , 2004; Brucks, 1985). Babin and Harris (2013) explain that when the consumer processes information, the human brain matches it with prior knowledge. The consumer's level of confidence will motivate them to make a purchasing decision. If a consumer does not have confidence about the product, they will search for more information to gain more confidence to support their perception, regardless of what the consumer actually knows (objective knowledge). If a consumer wants to purchase an

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Okapi crocodile leather handbag but perceives it as of lower quality and price than a Louis Vuitton handbag, the consumer should search for more information regarding the Okapi brand to make a better purchasing decision. Consumers have a certain perception of luxury brands in their minds, which exists in the form of cognitive structures that compares prior experience with related knowledge structures (Yasin *et al.*, 2007; Roth & Diamantopoulos, 2009; Diedericks & Erasmus, 2014). The prominent cultural characteristics of a country are, for example, associated with specific products and comprehended as such in consumers' memory (Mossberg & Kleppe, 2005; Jung, Lee, Kim & Yang, 2014).

The experience a consumer has with a product is usually gained by product consumption, usage and previous information search, for example, through advertisements or using the product daily (Park & Moon, 2003). Desmet and Hekkert (2007) explained that experience is the way in which consumers shape their experience through the characteristics of the user and the actual product. The user's characteristics can be shaped according to his/her personality, skills, background, cognitive learning and cultural values and norms. The product can be identified by its shape, colour, texture, functionality and behaviour. Product experience have three components: aesthetic pleasure, attribution of meaning, and emotional response (Hekkert, 2006). Hekkert (2006:160) defined product experience as "... the entire set of affects that is elicited by the interaction between a user and a product, including the degree to which all our senses are gratified (aesthetic experience), the meanings we attach to the product (experience of meaning) and the feelings and emotions that are elicited (emotional experience)". The consumer uses their senses to shape aesthetic experience (Desmet & Hekkert, 2007), for example a consumer evaluating a luxury exotic leather product will touch the product as to how it feels and see the colour of the product to determine its quality. Experience of meaning can be described as occurring when the consumer uses interpretation, retrieves memory and makes associations (Desmet & Hekkert, 2007). A consumer that has experience with a luxury product attaches symbolic value to the product that creates a comfortable lifestyle in the consumer's mind. Hedonic value is identified when a consumer has an emotional experience with a luxury product (Wiedmann *et al.,* 2009). The luxury product creates an arousing feeling during purchase, which is attached to emotional responses that are associated with consumption (Wiedmann *et al.*, 2009). Product familiarity occurs when the consumer has a direct or indirect experience with

a product, which is then stored in the memory of the consumer (Marks & Olsen, 1981; Godey, Pederzoli, Aiello, Donvito, Chan, Oh, Singh, Skorobogatykh, Tsuchiya & Weitz, 2011). Brands use experience as a marketing strategy to remind the consumers about the products they sell and to differentiate their brand from others in the consumer's mind (Atwal & Williams, 2009).

A consumer can have objective and subjective knowledge about a product's intrinsic-related features and extrinsic-related features (Gursoy, 2003; Phau *&* Suntonnond, 2006). Jiménez-Guerrero *et al.* (2012) argued that extrinsic features are often more important for the consumer than intrinsic-related features during purchasing decision making, because the consumer has no significant knowledge or experience of the product's intrinsic-related features. Other studies have determined that intrinsic features are seen as more important when a consumer forms his/her perceptions and has the knowledge (objective knowledge) about a particular product (Zeithaml, 1988; North *et al.*, 2010). If the degree of a consumer's objective knowledge of a product is considered low, the consumer will rely on extrinsic cues (subjective knowledge). This means that consumers with a higher degree of objective knowledge will to a greater extent evaluate and consider the intrinsic-related features as more important when making a purchase than their perceived knowledge on the product's extrinsic-related features (Phua & Suntornnond, 2006).

3.2.3 Quality evaluation of an exotic leather accessory

One of the key consumer value perceptions of a luxury product that shapes consumer behaviour, is quality (Wiedmann *et al.*, 2012). Consumers evaluate a product according to its product features (Thakor & Lavack, 2003; Shukla, 2010). Feigenbaum (1983:7) defined quality as "… the customer's perception of what quality is, not what a company thinks it is". Zeithaml (1988) described quality as the superiority and excellence of a product. As for perceived quality, it can be explained as the consumer's judgement about a product's overall quality, in other words, what the product will do for the consumer when it is used (Jacoby *et al.,* 1971; Zeithaml, 1988*)*. Kadolph (2011:567) defined a quality textile product as " the sum of the overall product characteristics, including appearance, appropriateness for the end use, performance and interactions of the materials in the product, consistency among identical products, and freedom from defects in the construction or materials".

The features of a product that cannot be altered, namely textile, design, construction and finishes, are defined as the intrinsic features, and, if the consumer has sufficient knowledge about the product, these intrinsic features can be used as quality cues during product evaluation (North *et al.*, 2010). In the context of this study, the intrinsic cues for an exotic leather accessory product would be the crocodile leather, the design, the construction, and finishes. Unfortunately, specifically in the case of exotic products and products that are not regularly purchased, consumers usually do not have sufficient knowledge on the product's intrinsic features and then have to rely on extrinsic features as quality cues. Extrinsic cues can be defined as attributes that can be changed without changing the product. It includes features such as brand name, price and country-of-origin; these all relate to the physical product, but are not intrinsic to the product (Jiménez-Guerrero *et al.*, 2012).

Intrinsic features as well as extrinsic features influence the behavioural qualities of a product, in other words, what the product will do for the consumer when it is used. Behavioural qualities can be classified as functional, aesthetic, symbolic and emotional (Fiore & Kimle, 1998). These qualities can satisfy the consumer's needs on a functional, personal, social and financial level (Wiedman *et al.,* 2007; 2009).

Intrinsic features, such as the design, textile, construction and finishes of a product, mainly influence the functional and aesthetic qualities of the product. Aesthetic quality includes the beauty of the product and the emotional pleasure that the consumer experiences because of its beauty (Fiore & Kimle, 1998). The beauty of, for example, a crocodile skin handbag, is determined by the skin (textile) that has been used, the tanning, colour and finishes that have been applied to the skin, but also by the construction of the handbag, the design as well as the finishes such as buckles and straps (Brits, 2016). The beauty of the handbag is one quality that even the consumer without sufficient knowledge of the intrinsic features, can easily evaluate when purchasing the handbag.

The intrinsic features of a product also influence the functional quality of the product, which would include aspects such as the durability (how long it will keep), the usability (whether it will suit various occasions, will match with the wardrobe, will be big enough for the intended use, etc.) and care (how it should be cleaned, stored, etc.). The durability of a crocodile handbag is determined by the quality of the skin (textile), the craftsmanship during

construction, and the quality of the finishes that have been used and applied. These are the aspects that the consumer needs knowledge on and that could assist the consumer in getting a perception of the functional quality of the handbag. Unfortunately consumers in many cases (specifically in the case of exotic products and products that are not regularly purchased) do not have sufficient knowledge on the intrinsic features of a product in order to make any judgements with regard to the product's functionality, and then have to rely on extrinsic features, such as brand name or country-of-origin, to judge the functional qualities of the product (Jiménez-Guerrero *et al.,* 2012).

Consumers do, however, not only value the aesthetics and functionality of a product. When used, a product, in this case an exotic luxury product, needs to also satisfy the consumer on an emotional and social level (Wiedmann *et al*., 2012), for example serve in enhancing self-identity or symbolizing social status. Intrinsic features such as good quality skin and superior craftsmanship (if known or identified by the consumer) should serve to satisfy many of these social and emotional needs when the product (handbag) is used. However, if unknown or not identifiable by the consumer, he/she again needs to revert to extrinsic product features such as brand name or country-of-origin to satisfy various emotional and social needs. In contrast with intrinsic features, where knowledge or information is in many cases not available to the consumer to evaluate the various qualities of the product, extrinsic features are readily available – not only at the point of purchase when the qualities of the product are evaluated, but also when the product is used and emotional and social needs have to be satisfied. Where a luxury brand name has the advantage of relying on extrinsic features such as the brand name or country-of-origin to play an important role in consumers' evaluation of the quality of their product, smaller or unknown brands producing excellent quality products need to rely on either the consumer having sufficient knowledge to identify good quality, or the availability of sufficient information sources, such as sales personnel or product labels, to assist the consumer in identifying a product that could satisfy not only his/her functional and financial needs when used, but also various emotional and social needs.

In conclusion, when both intrinsic-related features and extrinsic-related information cues are available at point of purchase, the consumer with a higher level of objective knowledge would probably rather base his/her purchasing intentions on intrinsic-related features than

extrinsic cues. However, if the intrinsic information is invisible, the consumer will have to use extrinsic-related features such as country-of-origin (Phau *&* Suntornnond., 2006).

3.3 THE ROLE OF COUNTRY-OF-ORIGIN IN CONSUMER BEHAVIOUR

Consumers do not necessarily have the information about the product's intrinsic features or objective knowledge regarding the exotic leather accessory product. Not all the information is given on the labels at point of purchase but extrinsic features are usually available (Jiménez-Guerrero *et al.*, 2012). When it is difficult to evaluate a product's intrinsic features, consumers rely on extrinsic cues (Veale & Quester, 2009; Jiménez-Guerrero *et al.*, 2012; Diedericks & Erasmus, 2014). Branded products develop over time a certain reputation or image in the consumer's mind where this information of this specific image is important in the consumers pre-purchase product intentions (North *et al.*, 2010). Extrinsic cues are added to the product during the supply chain at the step where the product is manufactured and distributed to the wholesalers.

Previous studies have indicated that county-of-origin, as an extrinsic-related feature, has an important influence on a consumer's purchasing decision and choice of a specific brand or product (Lin & Chen, 2006; Pappu *et al.*, 2006; Yasin *et al.*, 2007; Roth & Diamantopoulos, 2009). The country-of-origin is the fastest way to gain new or previous information about a product if the consumer lacks time, because of its visible extrinsic characteristics (DelVecchio, 2001; Veale & Quester, 2009). This way consumers can simplify their purchasing decision by interpreting less information (Diedericks & Erasmus, 2014).

3.3.1 The country-of-origin

Country-of-origin has been defined by many different researchers and over time the definition has become vague. Country-of-origin can be defined as the home country with which the company's brand or product is being associated (Johansson & Thorelli, 1985; Samiee, 1994; Ahmed, Johnson, Yang, Fatt, Teng & Boon, 2004). In an older study done by Nagashima (1970:68) country-of-origin is defined as "… the picture, the reputation, the stereotype that businessmen and consumers attach to products of a specific country. This image is created by variables such as representative products, national characteristics, economic and political background, history, and traditions". Luxury brands are associated

with and defined in terms of a certain country, such as Hermés is associated with France and Burberry with England. In contrast to Samiee (1994) and Nagashima (1970), Ahmed *et al.* (2004) defined country-of-origin as the place of manufacturing or assembling of the product. Samiee (1994), on the other hand, points out that the country where a product has last been manufactured or assembled is known as the country-of-manufacturer (COM). In the case of exotic leather accessory products, the country-of-origin can be the same as country-of-manufacturer, for example Okapi originated in South Africa and their products are locally made from the sourcing of skins from South Africa as well as the final assembling of the product. Products are manufactured in various countries, where the textile originated from one country and the assembling takes place in another, which can cause confusion. Bi-national products refer to instances where the country-of-manufacture differs from the origin of the brand, which could create brand incongruity, for example when the country-of-manufacture has a less favourable image than the original country (Jo, Nakamoto & Nelson, 2003; Diedericks & Erasmus, 2014). For this study, country-of-origin is defined as the country with which the brand or product is being associated.

Research has shown that consumers prefer or regard high quality products manufactured in developed countries as superior to those that have been manufactured in developing countries (Lee, Phau & Roy, 2012). Consumers are most likely to purchase a product from a country that has a positive image or when the consumer has limited information regarding the country-of-origin (Piron, 2000; Lin & Chen, 2006). The consumer will use the information of the country-of-origin's image to evaluate the quality associated with the country's product to increase their confidence level to purchase the product. Consumers then, in many cases, evaluate the product quality of countries such as South Africa, China and India as of lower quality, and products from countries such as France, England, and the United States as of higher quality associated with prestige brands (Ahmed & D'Astous, 2007; Godey *et al.*, 2011; Lee *et al.*, 2012; Diedericks & Erasmus, 2014). The reputation that consumers attach to a certain country can influence their purchasing intentions positively or negatively (Salciuviene, Ghauri, Streder & De Mattos, 2010; Diedericks & Erasmus, 2014). A country's lifestyles and etiquette will influence the consumers' perceptions of and behaviour towards the brand and whether they would want to be associated with the brand and its origin (Jung *et al.,* 2014). When a brand promotes itself with prestige and high quality and their product

is manufactured in a developing country, such as China, the country-of-origin's image will, in many cases, be perceived by the consumer as not quite on par, specifically when the consumer has little knowledge about the intrinsic features of a product and therefore finds it difficult to evaluate the quality of the specific product or to determine whether it will fulfil his/her needs when it is used. Okapi is a South African brand known for its prestige, well-crafted exotic leather products, but local consumers as well as international consumers are most likely not familiar with the brand.

Price is one of the extrinsic cues that Eastern consumers use as an information structure to assess the product when making a decision regarding purchasing intent (Godey *et al.*, 2011). The more familiar the consumer is with a product, the less they will consider the price, but they will increase their perception of the country-of-origin even if it is linked to a negative association with developing countries (Pecotich & Ward, 2007; Godey *et al.*, 2011). Price and quality have a direct relationship to associate luxury with a product (Iglesias & Guillén, 2004; Völckner & Hofmann, 2007). The higher the price the more the product is seen as a prestige product. Developing countries such as China, India and South Africa attach more importance to price than developed countries (Jung *et al.*, 2014). Price is used by consumers to evaluate a luxury product; this is known as financial value (Wiedmann *et al.,* 2012).

3.3.2 The role of country-of-origin in the decision-making process and purchasing intent

A product's country-of-origin can have a significant influence on the consumer's decision-making process; it could act as a salient attribute in the consumer's product evaluation, and encourage behavioural intentions through social norms (Yasin *et al.*, 2007). Samiee (1994) and Pappu *et al.* (2006) also stated that country-of-origin influences the consumers' preferences as well as their purchasing behaviour and intentions. According to Yasin *et al.* (2007), the perception of a brand's quality occurs during the evaluation of alternatives during the decision-making process. The consumer recognizes the difference and superiority of the brand's products and compares it to competitors. Obermiller and Spangenberg (1989) developed a framework for the processing of such a country-of-origin cue; they distinguished between cognitive, affective and normative processes. These three kinds of processes interact during the consumer's decision-making process (Verlegh & Steenkamp, 1999).

In the cognitive process, consumers make rational use of the country-of-origin cue through extracting information about the product's quality attributes and associating those it with the country (Verlegh & Steenkamp, 1999; Bloemer *et al.*, 2009). Quality attributes such as durability and reliability are used to evaluate the country-of-origin of a product, and will influence the purchasing behaviour among consumers. Consumers perceive quality and quality attributes as a functional value. The image of the country-of-origin acts as a stimulus which activates internally in the consumer's stored schema (Bloemer *et al.*, 2009). Therefore a consumer has connotations towards a country, its people and its products (Verlegh & Steenkamp, 1999; Laroche, Papadopoulas, Heslop & Mourali, 2005), which can be called up as the product-country images. Affective country-of-origin effects are the use of the extrinsic cue to arouse an emotional reaction in the consumer which is seen as symbolical (Verlegh & Steenkamp, 1999; Bloemer *et al.*, 2009). Consumers attach symbolic value to a country of which they have gained experience, either directly by traveling to the country or indirectly by reading about the country's culture and lifestyles. Consumers link country-of-origin to memories and feelings of pride and status, which are then associated with the product (Verlegh & Steenkamp, 1999). The consumer can make the connotation between the product, the country and its feelings, which lead to purchasing behaviour.

The use of country-of-origin as an extrinsic information cue can influence the consumers' purchasing behaviour, their perception of luxury through identification of values, and their purchasing intentions. When consumers address the first three steps in the decision-making process, they have to decide whether they should purchase the relevant product, or choose an alternative.

3.4 THE FEMALE CONSUMER'S PURCHASING INTENT

During the consumer's decision-making process, attitudes are formed toward a product, and these are direct indicators of behavioural intentions (Ajzen & Madden, 1986; Berthon, Pitt, Parent & Berthon, 2009; Zhang & Kim, 2013); attitude is seen as the antecedent of any behaviour to follow. According to the tri-component attitude model, popularized by cognitively oriented social psychologists (Holbrook, 1978; Reibstein *et al.*, 1980; Wilke, 1994), attitudes consist of three major components, namely cognitive, affective and conative perspective. A person's cognitions include the knowledge and perceptions that were

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acquired by combination of direct experience with the object and related information from various sources. According to Schiffman and Kanuk (2010:242), "this knowledge and resulting perceptions commonly take the form of beliefs". With regard to this study's interest, objective knowledge, subjective knowledge and country-of-origin information form part of the cognitive component. The consumer's emotions or feelings about a particular product constitute the affective component of an attitude. Connation is the final component of an attitude and is concerned with the likelihood or tendency that an individual will undertake a specific action or behave in a particular way (Holbrook, 1978; Reibstein *et al*., 1980; Wilke, 1994). In marketing and consumer research, this component is frequently seen as the consumer's intent to buy, or the consumer's purchasing intent, which can then be defined as the likelihood that the consumer will buy a specific product (Zhang & Kim, 2013).

3.5 CONCLUSION

According to Lin and Chen (2006) and Brucks (1985), the consumer's degree of knowledge of a product will indirectly affect a consumer's purchasing intentions, which will determine their purchasing decisions and also affect their information search behaviour.

If female consumers have objective knowledge about a specific product they will most likely also consider intrinsic-related features instead of extrinsic-related features only, when evaluating exotic leather accessories. However, consumers who do not have product knowledge regarding exotic crocodile leather accessories, will most probably use mental shortcuts (heuristics) to make an easier purchasing decision. These mental shortcuts are based on information that is easily available during product evaluation when an intention to purchase is instigated, namely the extrinsic features of the product such as country-of-origin information. If a country is perceived negatively the consumer will most probably attach negative connotations to the product. According to Piron's (2000) research, a consumer who has less information of a product's country-of-origin will evaluate it differently than a consumer who has knowledge of the product and its country.

CHAPTER 4

THEORETICAL PERSPECTIVE

This chapter explains the theoretical perspective which was used as a guideline to structure the conceptual framework.

4.1 INTRODUCTION

Knowledge of intrinsic-related attributes and extrinsic-related attributes such as information about a product's country-of-origin may play an important role during the first three decision-making stages, specifically during information search and evaluation of alternatives. A social cognitive perspective sheds some light on the decision-making process and consumers' cognitive behaviours. This chapter firstly addresses the assumptions of the social cognitive perspective and secondly the perspective on decision making. Traditional versus fashion decision making, types of consumer decisions and heuristics are further discussed to understand the consumer's perspective on decision making.

4.2 ASSUMPTIONS

- Consumers are confronted with many products and product alternatives and have to find ways to make sense of their environments.
- They are confronted with many options and have to make informed decisions in order to be satisfied when the product is used.
- Unfortunately they do not always have the knowledge of a product's intrinsic-related attributes and extrinsic-related attributes that could influence or play a role in the behavioural qualities of the product and could influence specific functional and other needs.
- They then need to make use of information sources (if available) or have to use mental shortcuts (heuristics) such as price, brand name, country-of-origin and country-of-manufacturing in order to make a purchasing decision.

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4.3 PERSPECTIVES ON DECISION MAKING

4.3.1 Traditional versus fashion decision making

The decision-making process leads to choice when a brand or product has been identified to make a purchase (Babin & Harris, 2013). The amount of involvement and effort differs during decision making because some choices are perceived as more important than others (Solomon & Rabolt, 2004). The consumers' decision-making process can be viewed from three perspectives. These three perspectives are identified as the rational decision-making perspective, the experimental decision-making perspective, and the behavioural influence decision-making perspective (Solomon & Rabolt, 2004; Babin & Harris, 2013).

Most often decisions are made from a rational perspective, also known as the traditional decision-making model (Solomon & Rabolt, 2004). A consumer will gather information to evaluate various brands or products and make purchasing decisions. Babin and Harris (2013) mentioned that consumers are rational when considering their decisions and the value associated with a purchase. In some cases consumers do not think extensively about every single decision that needs to be made and will use little cognitive effort.

An experiential decision-making perspective can be explained as the way in which a consumer makes decisions or purchases based on affect, or feelings, attached to the product when consumers are highly involved during the decision-making process (Solomon & Rabolt, 2004; Babin & Harris, 2013). The process is not based on an extensive cognitive search but rather on the experience and enjoyment (hedonic value) the product provides.

Some purchases are based on impulsive decisions where the consumer is influenced by responding to environmental cues rather than on cognitive decision making (Solomon & Rabolt, 2004; Babin & Harris, 2013). These types of choices can be described as a behavioural influence perspective. The consumer is influenced by the physical surroundings at that moment. Stores use music, smell, lighting, and colour to influence the consumer to make an impulsive decision.

The consumer's decision-making process contains five stages: problem recognition, information search, evaluation of alternatives, purchasing, and post-purchase behaviour (Solomon & Rabolt, 2004; Lamb *et al*., 2011; Babin & Harris, 2013). This can be identified as

the traditional or rational decision-making process. An exotic crocodile leather product can be identified as a fashion item, which creates experience and excitement. If a consumer considers purchasing a luxury item, he/she will use the product's intrinsic cues and extrinsic cues as evaluative criterion. Many fashion purchases are impulsive and create excitement at that moment (Solomon & Rabolt, 2004). Buying a luxury exotic crocodile leather product is not so much an impulsive decision but leans more towards a combination of experience and rationality. The exotic leather product does provide a point-of-purchase experience and excitement (experiential perspective), but is too expensive for it to be an impulsive purchase.

In the first stage of the decision-making process a need has been recognised to solve a problem and to be satisfied. The consumers recognise a difference between their actual state and a desired state (Lamb *et al.*, 2011). A fashion decision-making process will slightly differ from the traditional decision-making process. The fashion decision-making process consists of a fashion object (desire) that has been identified in the first stage of the decision-making process rather than a problem (need). This is called opportunity recognition (Solomon & Rabolt, 2004). The actual state stays the same but the desired state changes. For example, a consumer needs a new handbag but because of the low quality and durability state of her current handbag, she recognises an opportunity (desire) to rather buy a more expensive exotic crocodile leather handbag than a synthetic one. This illustrates that a luxury product can be explained from a rational and experiential perspective where the consumer has identified a need, but alters her desire state to create an opportunity (want).

The second stage in the traditional decision-making process is an information search. After the consumer has recognised a need or a want/desire, information can be gathered to search for alternatives (Lin & Chen, 2006). The most appropriate data is used to make a purchasing decision. Consumers can either do an internal search (prior experience or memories stored in the mind), or an external search such as personal information (friends, and family) or non-personal information environmental and written information (magazines, internet etc.) The consumer's amount of product knowledge will determine the extent of the external search and the time they need to search for the information. During the fashion decision-making process the consumer is aware of the object and experiences an interest in the product (Solomon & Rabolt, 2004). Fashion information sources are used by consumers

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because fashion changes frequently. Four fashion information sources have been identified by Solomon and Rabolt (2004), namely impersonal or marketer-dominated sources (window displays or magazines), personal or consumer-dominated sources (asking friends or observation), neutral sources (influenced by role-models or fashion icons), and objective sources (consumer reports).

A consumer has many exotic leather product alternative brands to choose from. The luxury consumer will evaluate the different products' features, store, price, and construction. After information is gathered, the consumer evaluates the product and decides to purchase the product he/she feels most confident with (Lamb *et al*., 2011). A consumer that engages in a more extended problem solving decision-making process, will carefully evaluate a variety of products in the same category (Solomon & Rabolt, 2004). Consumers will therefore use extended problem solving when deciding which luxury exotic crocodile leather product they would consider to purchase. After information is collected and alternatives have been evaluated, the consumer has to make a choice among alternative products. Consumers will use their evaluative criteria, ranging from functional attributes to fashion considerations. A luxury exotic leather accessory can be viewed as an apparel or fashion product and the evaluative criteria can be identified by the product's intrinsic cues (style, colour, textile, design, finishing and construction), and its extrinsic cues (price, brand name and country-of-origin).

The fashion and traditional decision-making process can be used as a combination for a consumer considering to purchase a luxury exotic leather product. Instead of a need the consumer changes his/her desired state and creates an opportunity (want). The extended problem solving is used to make a decision on a luxury exotic crocodile leather product as well as a fashion-related evaluative criterion to make a final choice.

4.3.2 Types of consumer decisions

Consumer decisions can be classified into three categories: habitual (routine) response, limited decision making, and extended problem solving (Solomon & Rabolt, 2004; Babin & Harris, 2013). Habitual decision making refers to a routine response and the consumers do not seek any information during the first stage of the decision-making process (Babin & Harris, 2013). This happens when products are of low-cost, low consumer involvement,

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frequent purchases and need little thought and searching. Limited problem solving occurs when there is a low risk involved and alternatives are not important because of the low motivation to search for information (Solomon & Rabolt, 2004).

Extended problem solving is used by the consumer when the consumer's involvement is high, the product is expensive, and the information search is extensive (Solomon & Rabolt, 2004). Consumers use extended problem solving to evaluate alternatives of a luxury exotic leather product. A luxury exotic crocodile leather product is an expensive item and many criteria have to be used to evaluate alternative products available. The product can create a hedonic value for the consumer but still needs to represent functionality.

4.3.3 Heuristics: Mental shortcuts

Consumers do not always have the time or applicable information available to make use of extensive problem solving when deciding to buy a product. Consumers use easily accessible information or mental shortcuts (heuristics) to make an informal purchasing decision, especially when limited problem solving occurs (Solomon & Rabolt, 2004; Bloemer *et al.*, 2009). Bloemer *et al.* (2009) explained that a consumer uses a heuristic approach to simplify his/her evaluation and purchasing decisions. Information of the product's extrinsic cues (price, brand and country-of-origin) assists the consumer to make an easy choice that is less time consuming. Consumers will have a perception or prior product knowledge of a certain country's image stored in their memory, which they will retrieve as soon as they are exposed to evaluative information (Bloemer *et al.*, 2009). A product usually has information of the country-of-origin on the label, which consumers may use as mental shortcuts to make a decision.

In general, consumers tend to perceive a product from a developed country (Europe or America) as better and of higher quality than those from developing countries (eg. China, India, and South Africa) (Lee *et al.,* 2012). If a country is perceived as negative, a consumer will most likely perceive the product also negatively and as of low quality. Some consumers prefer products produced in their own country over those from other countries (Solomon & Rabolt, 2004); this is called ethnocentrism. If consumers do not have objective product knowledge regarding the luxury exotic leather product, they can use country-of-origin or the price to search for more information and to determine the risk related to the purchase.

4.4 CONCLUSION

The implication for this study is that a luxury exotic leather product is not a product that is bought on impulse, therefore the consumers are leaning more towards a product that presents a pleasurable experience, but at the same time the exotic leather accessory should also be functional and aesthetically appealing. Female consumers can choose from many alternatives and will search for applicable information regarding the product's intrinsic and extrinsic features, when they have the intent to purchase an exotic leather accessory. An extended problem solving is used by the consumers when they do not have the necessary knowledge (objective and subjective knowledge) to make a purchasing decision. If consumers do not have the necessary information regarding the exotic leather products, they will most likely use extended problem solving to gain objective knowledge. Therefore the female consumers would probably rely on the intrinsic-related features of the exotic leather accessory. However, if the consumers do not have the time to do intensive research they will use their mental shortcuts (heuristics) to make a purchasing decision and therefore rely on the product's extrinsic features, which are easily available at point of purchase. The extrinsic feature that is researched for this study is the country-of-origin. It is therefore important to research the female consumer's degree of knowledge (objective a subjective) about country-of-origin and the importance to her of such information when purchasing an exotic luxury leather accessory.

CHAPTER 5

RESEARCH DESIGN AND METHODOLOGY

This chapter presents the research design and methodology used to address the research objectives for this study, as well as the ethical considerations and methods used to ensure reliability and validity for a quantitative research study.

5.1 INTRODUCTION

The following will be discussed in this chapter: conceptual framework, objectives of this study, the research design, research methodology, sample and sampling, data collection, instrument development, operationalization, data analysis, and ethical considerations, as well as the methods used to ensure reliability and validity for a quantitative research study.

5.2 CONCEPTUAL FRAMEWORK

The focus of this study is the role of knowledge and the importance of country-of-origin in female consumers' purchasing intent of exotic crocodile leather accessories during the decision-making process.

As already mentioned, the traditional decision-making process consists of the following five stages: problem recognition, information search, evaluation of alternatives, purchasing, and post-purchase behaviour (Solomon & Rabolt, 2004; Babin & Harris, 2013). Product knowledge and information are gained and used during the stages of information search and evaluation of alternatives during the decision-making process. Brucks (1985) distinguishes between objective knowledge and subjective knowledge. Objective knowledge is what the consumer actually knows about the product (Sub-objective 1.1). The consumers can have objective knowledge regarding the intrinsic- and behavioural-related attributes and extrinsic-related attributes of exotic crocodile leather accessories. Features of the exotic crocodile leather product that cannot be altered are defined as intrinsic-related attributes. These attributes are the textile, design, finishes and construction of the exotic crocodile leather accessories. The study is conducted in South Africa, therefore the C. Niloticus

crocodile skin is referred to as the *textile*. The design symmetry in the scales of the crocodile leather accessory is extremely important because it indicates the authenticity of the exotic luxury product. The natural patterning of the crocodile skin is less regular compared to stamped leather products. The finishes are also an indication of quality, durability and price range. The Classic gloss finish has a high-glossy effect but is less durable than a semi-gloss finish on a genuine crocodile accessory. Classic gloss will only be used for products that are not used that often, such as smaller purses or clutches. The construction of the exotic crocodile leather accessories are handcrafted, which indicates the products' quality and authenticity. Stitched joints on a crocodile skin briefcase are also an indicator of high-quality genuine crocodile leather. The exotic crocodile leather product should be taken care of by using a damp cloth to clean the product surface and beeswax to condition the leather. These intrinsic-related attributes and behavioural qualities are important information that the consumer should know. However, if the consumers have little objective knowledge on the exotic crocodile accessories' intrinsic-related attributes and behavioural qualities, they will rely on extrinsic-related attributes. Extrinsic-related attributes are attributes that can be changed without changing the product. These attributes can be identified, among others, as the country-of-origin, country-of-manufacturing and brand name. Consumers who think they have knowledge regarding a product, may only have subjective knowledge (Sub-objective 1.2). By measuring the subjective knowledge, one could understand the consumers' degree of what they think they know about exotic crocodile leather accessories.

If consumers have a low level of knowledge regarding the exotic crocodile leather accessories or do not have time to do an additional information search to evaluate the alternatives regarding the specific product, they will most probably use mental shortcuts (heuristics) or accessible information, to make a final purchasing decision (Objective 2). Extrinsic features such as country-of-origin information are easily accessible information for the consumer, because this information will be available on the label of the exotic crocodile leather accessories.

After searching for information and evaluating alternatives, the consumers have to make the choice whether to purchase the product or not (Objective 3), which will be determined by their behaviour towards a specific product. Previous research (Gronhaug *et al.*, 2002) has shown that purchasing intent cannot be influenced by behaviour alone. The purpose of this

study was to determine the relationship between consumers' purchasing intent and their objective knowledge regarding the intrinsic-related attributes and extrinsic-related attributes of exotic crocodile leather accessories (Objective 4). As the consumers sometimes use mental shortcuts to gain information, the relationship between the consumers' viewpoint on the importance of country-of-information and their purchasing intent was also determined (Objective 5).
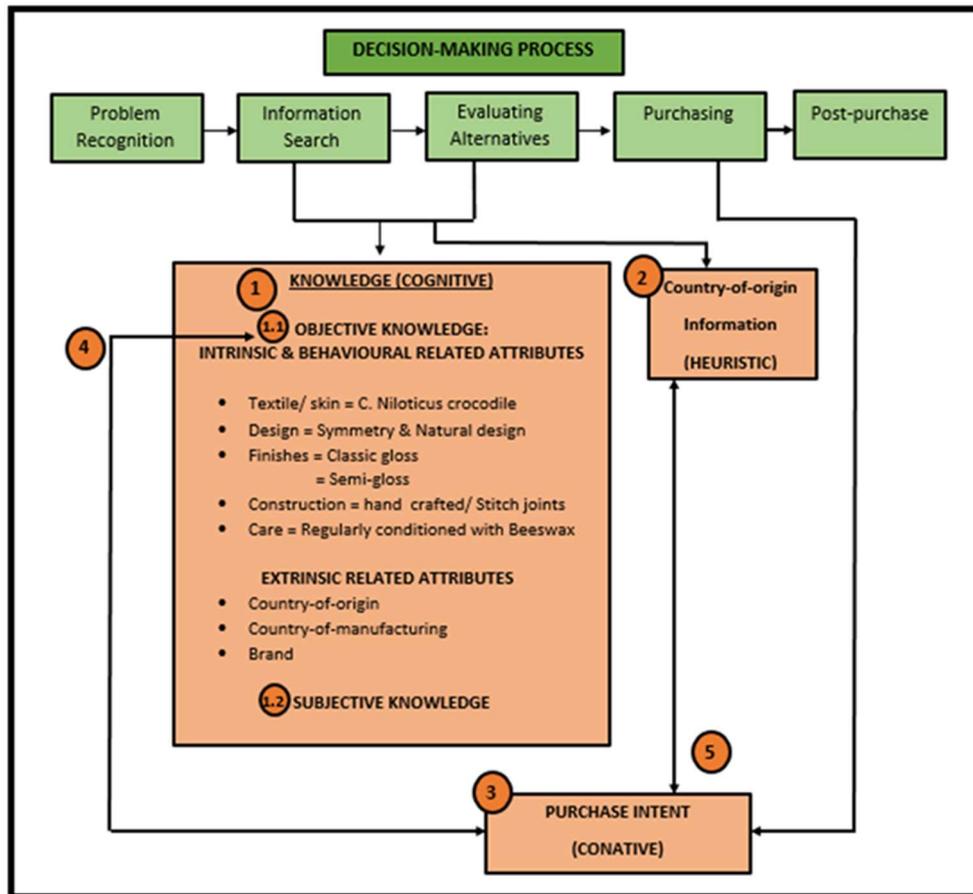
FIGURE 5.1: CONCEPTUAL FRAMEWORK

5.3 OBJECTIVES

The objectives were formulated according to the literature review and theoretical perspective that were combined to compile the conceptual framework (Figure 5.1). The objectives for this study are as follows:

Objective 1: To determine South African female consumers' knowledge of exotic crocodile leather accessories.

- Sub-objective 1.1: To determine South African female consumers' objective knowledge of exotic crocodile leather accessories.

- Sub-objective 1.2: To determine South African female consumers' subjective knowledge of exotic crocodile leather accessories.

Objective 2: To determine the importance of country-of-origin-related information on an exotic crocodile leather handbag for South African female consumers.

Objective 3: To determine South African female consumers' purchasing intent for exotic crocodile leather accessories.

Objective 4: To determine the relationship between South African female consumers' objective knowledge of exotic crocodile leather accessories and their purchasing intent.

Objective 5: To determine the relationship between the importance of country-of-origin information of exotic crocodile leather accessories and the female South African consumers' purchase intent.

5.4 RESEARCH DESIGN

A quantitative descriptive approach was followed by developing an electronic survey design to obtain information from respondents. Quantitative methods offered statistical legitimacy and it precisely reflected the population that was being studied (Van der Stroep & Johnson, 2010; Berndt & Petzer, 2011). A descriptive method can be explained as the way the researcher or organisation wants to describe something (Berndt & Petzer, 2011). In this case, the study described the role of knowledge and the importance of country-of-origin information in female consumers' purchasing intent for exotic crocodile leather accessories. It was decided to study female South African consumers because they were most likely to purchase luxury exotic crocodile leather accessories (Stokburger-Sauer & Teichmann, 2013). A cross-sectional study was used to conduct the research. The survey was conducted at a specific point in time and reflected the conditions at that time when the questionnaires were distributed (Berndt & Petzer, 2011; Fouché *et al*., 2011:156). The questionnaires were distributed during the beginning of March 2016 until the end of March 2016 by Consulta Research Company.

5.5 RESEARCH METHODOLOGY

5.5.1 Sampling

Sampling can be explained as the selection of a subset of individuals of a population (sampling frame) to take part in the study (Berndt & Petzer, 2011; Strydom, 2011: 222). Sampling was used to narrow down the research to a specific consumer group that was applicable for this study and to understand the research problem (Strydom, 2011: 224).

5.5.1.1 Unit of analysis

The unit of analysis for this study was South African female consumers, aged 18 to 65 and had a monthly household income between R 25 000 and R 100 000 or more. The research company, Consulta, had a database of respondents from which the sample was selected, and the company distributed the questionnaires to that specific group of respondents. According to Stokburger-Sauer and Teichmann (2013), the uniqueness, status and hedonic experience associated with luxury products, have more important value for female consumers than for male consumers. Many luxury brands that sell exotic leather products, such as Okapi and Hermés, use marketing strategies to lure female consumers to purchase their products; therefore it was important to narrow the research down to female consumers. The study did specifically concentrate on exotic crocodile leather accessories, which is a subset category in the luxury apparel industry. The sample group consisted of females only (N = 337) who were South African citizens and most of them were Caucasian (60.70%), between the ages of 36 and 55 years (58.40%), and had a monthly household income (42.50%) of between R40 001 and R100 000.

5.5.1.2 Sampling method

The way in which the sampling unit for this study was selected was through a non-probability sampling method. Non-probability sampling can be described as arbitrary and subjective, which means there is a certain pattern in mind but not all individuals in the population have the same chance of being selected (Berndt & Petzer, 2011). The use of non-probability sampling makes it more economical and easier to obtain a large number of completed questionnaires (Berndt & Petzer, 2011). The type of non-probability sampling that was used is called convenience sampling. It included respondents from a specific subset

of the population that were readily available (Berndt & Petzer, 2011; Strydom, 2011: 232). In this case, the database of Consulta Research Company was used to distribute and collect the questionnaires. A response rate of 10% was expected, and 337 completed questionnaires were retrieved for this study.

5.6 DATA COLLECTION

5.6.1 Measuring instrument

The measuring instrument (Addendum A) used to collect the data was a structured, computer-assisted, self-administered questionnaire. Online self-administered questionnaires were used because it was less time consuming and it had a high degree of reliability as the respondents could not be influenced by interaction with field workers (Berndt & Petzer, 2011). Categorical data was collected, therefore the measuring instrument consisted of scales that captured nominal and ordinal data. Nominal variables are attributes that are mutually exclusive for example gender (Babbie & Mouton, 2001; 131). Ordinal scaling could be described as an inherent order in the response categories and also a higher level of measurement than nominal (Basham, Jordan & Hoefer, 2010: 53; Berndt & Petzer, 2011: 224). The construction for a nominal scale is close-ended questions, such as asking the respondent about their gender (Basham *et al.*, 2010: 53), whereas for an ordinal scale the categories were re-ordered from highest to lowest frequency (Berndt & Petzer, 2011: 224). A Likert scale was also used to capture the data and other responses in terms of ordinal-level categories that were ranked along a scale (Delport & Roestenburg, 2011: 212). Scales from previous research studies were adapted for the purpose of this study. The questionnaire was part of a bigger study which also measured consumers' value perceptions and needs for traceability information. The following five sections were relevant to this specific study:

- *Section A*: This section consisted of demographic questions which determined whether the respondent was compatible with the sampling parameters. The respondents were asked to state their age, income, gender, ethnicity as well as other questions that addressed other issues related to the study, such as the respondents' willingness to pay for a genuine exotic crocodile leather purse and handbag, how often they would travel overseas, and their preferred choice of source for fashion information. A nominal scale was used to capture the data for this section.

- **Section D**: This section measured the purchasing intent on a 5-point Likert scale (1 = Never, 2 = Maybe, 3 = Not Sure, 4 = Probably, 5 = Definitely), which was adapted from Spears and Singh's (2004) scale of purchase intent. The purchase intention scale in Spears and Singh's (2004) study was tested before, which also ensured validity and reliability. An ordinal scale was used to capture the data for this section. Spears and Singh's (2004) study was conducted in Midwestern, America.

- **Sections E and F:** These sections measured product knowledge (objective and subjective knowledge). Objective knowledge was measured by self-developed questions on intrinsic-related attributes and behavioural qualities, and extrinsic-related attributes of exotic leather accessories. The questions were based on the study done by Brucks (1985) and Rao and Monroe (1988). The statements asked the respondents to answer True, Not Sure or False, which determined their degree of objective knowledge. Subjective knowledge was measured with an adapted scale of Flynn and Goldsmith (1999), with a 5-item 5-point Likert scale (1 = A great deal, 2 = Quite a lot, 3 = A little, 4 = Hardly anything, 5 = Nothing). An ordinal scale was used to capture the data.

- **Section G:** The importance of country-of-origin information was measured with an adapted scale by Pisharodi and Parameswaran (1992) and Yasin, Noor and Mohamad (2007). The respondents were asked to indicate the level of how important country-of-origin information was to them, on a 5-point Likert scale (1 = Of no importance, 2 = Somewhat important, 3 = Moderately important, 4 = Important, 5 = Extremely important). An ordinal scale was used to capture the data for this section.

5.6.2 Procedure

For the purpose of this study, the questionnaires were distributed by a research company that assisted in the research data collection process, and 337 completed questionnaires were gathered across South Africa. Consulta Research was the company used that distributed the questionnaires to female respondents that were South African citizens. Consulta has an existing database and had their own methods for distributing the questionnaires and gathering the data. This way quality data was gathered to ensure that

the participants were suitable for this study, as well as reliable results were more likely to occur because of the absence of the influence by field workers (Berndt & Petzer, 2011). The questionnaire was firstly designed by the researcher and evaluated by the supervisor before it was sent to the research company for data collection. The study was cross-sectional, which meant the research was conducted at a specific point in time and reflects conditions at that point in time (Berndt & Petzer, 2011). The computerised self-administered questionnaires were distributed by the research company during the beginning of March 2016 until the end of March 2016.

5.7 DATA ANALYSIS

After the questionnaires had been completed and gathered, data was captured for analysis purposes. Data analysis is regarded as the technique by which researchers convert data to numerical form (Fouché & Bartley, 2011: 249). The purpose of data analysis was to turn the data into an interpretable form so that the objectives could be examined and tested, and interpreted. It involved the procedure of assembling, classifying, tabulating and summarizing numerical data to obtain meaningful information. Descriptive and association methods were used to analyse the data. A descriptive method was used to report the distribution of the population across a wide range of variables, using nominal and ordinal levels of measurement (Fouché & Bartley, 2011: 251). An association technique was used to establish the positions of one variable with the likely position of another variable, either by correlation, analysis of variance or regression (Fouché & Bartley, 2011: 251). For the purpose of this study, correlations were used to analyse the data.

5.7.1 Data capturing

After the data was coded it was sent to the statistician, where it was captured and analysed, using the SPSS software.

5.7.2 Descriptive statistics

Descriptive statistics can be described as a method used for presenting quantitative descriptions in a manageable form by organising, summarising and interpreting numerical data (Babbie & Mouton, 2001: 459; Fouché & Bartley, 2011: 249). The data was illustrated and presented in pie charts and frequency tables to make it easier to analyse and turn into

information. The descriptive statistics also included calculating the means, percentages, frequencies and standard deviations where necessary. The mean is the sum of a number of scores divided by the number of scores, in other words the average value or the measure of central tendency for the data (Babbie & Mouton, 2001: 429; Williams *et al.*, 2009: 99). The standard deviation refers to the average amount that each of the individual scores varies from the mean of the set scores (Salkind, 2006).

5.7.3 Pearson correlation

Pearson correlation was used to understand the relationship between two variables. The relationship between the female consumers' objective knowledge and their purchasing intent was analysed by using the Pearson correlation. Pearson correlation should be implemented at a 5% level of significance, to confirm the relationships between variables of interest before the results are presented (Williams *et al.*, 2009). This measure of association shows the degree of strength and the direction of association between variables measured on an interval scale. The Pearson correlation coefficient (*r*), indicates how far the data point forms the line of best fit. For the data to be valid, the Pearson correlation has to pass the following four criteria (Williams *et al.*, 2009):

- The variables should be continuous using interval and ratio level measurements.
- The variables should illustrate a linear relationship. When the data points in a positive sloped straight line, the value of the sample correlation coefficient is +1, which corresponds to a perfect positive linear relationship between *x* and *y*. But when the data seems to point in a negative slope in a straight line, the value of the sample correlation coefficient is –1, which corresponds to a perfect negative linear relationship between *x* and *y.* If the data is scattered around the line of best fit, the variables have no correlation.
- There should be no significant scattered outliers. Outliers are the points that do not follow the usual pattern.
- By indicating statistical significance between the variables, it should be approximately normally distributed.

5.7.4 Spearman's rank-order correlation

A Spearman correlation is a nonparametric measure of strength and direction of the association that exists between two variable. The relationship between the female consumers' importance of country-of-origin information and purchase intent was analysed, using Spearman's correlation. Spearman's correlation should be implemented at a 1% level of significance, to confirm the relationships between variables of interest before the results are presented (Williams *et al*., 2009). Spearman's correlation is represented by the symbol *p*, pronounced rho.

For the data to be valid, Spearman's correlation has to pass two criteria (Williams *et al*., 2009):

- The variables should be measured on an ordinal, interval and ratio scale. A Likert-scale is an example of an ordinal measurement scale.
- A monotonic relationship should exist between the two variables. When the value of *p* indicates a positive linear association between *x* and *y*, the value of *x* increases, while the value of *y* increases. If the value of *p* indicates a negative linear association between *x* and *y*, the value of *x* increase, when the value of *y* decreases. No linear assertion between *x* and *y* is indicated when the points are evenly distributed among all four quadrants.

5.8 OPERATIONALIZATION

The table below describes the operationalization, which indicates how the questionnaire was developed. Each objective was described and determined by its concepts, dimensions, indicators, measuring scales and statistical analysis, which also assisted in designing the questionnaire for this study to understand the female consumers' knowledge and importance of country-of-origin information in female consumers' purchase intent on exotic crocodile luxury leather accessories.

TABLE 5.1: OPERATIONALIZATION

Objectives	Concepts	Dimensions	Indicators	Indicator measuring	Measuring scale	Statistical Analysis
Objective 1: To determine South African female consumers' knowledge of exotic crocodile leather accessories	**(Sub-obj. 1) To determine South African female consumers' objective knowledge of exotic crocodile leather accessories**	Intrinsic-related attributed & Functional behavioural qualities	Textile Design Construction Finishes Durability Care	**V51, V53, V55, V56, V57, V58**	Self-developed questionnaire on intrinsic and behavioural qualities, (Based on Brucks (1985) and Rao & Monroe's (1988) questionnaire	Frequency Percentages
		Extrinsic-related attributes	Country-of-origin Country-of manufacturing	**V50, V52, V54, V59**		
	(Sub-obj.2) To determine South African female consumers' subjective knowledge of exotic crocodile leather accessories	Crocodile leather	Crocodile leather	**V49**	Flynn & Goldsmith's (1999) subjective knowledge scale = 5-point Likert scale	Frequency Percentages
Objective 2: To determine the importance of country-of-origin-related information on the exotic crocodile leather female consumer	**Country-of-origin**	Country of origin	Importance of country-of-origin	**V60, V61, V62, V63, V64, V65, V66**	Scale developed by Yasin, Noor & Mohamad (2007) and Pisharodi & Parameswaran,1992	Frequency Percentages Means Standard Deviation
Objective 3: To determine the South African female consumer's purchasing intent for exotic leather accessories	**Purchase intent**	Purchase Intent Exotic leather accessories	Purchase intent Exotic leather accessories	**V46, V47, V48**	Spears & Singh's (2004) purchase intent scale = 5-point Likert scale	Frequency Percentages Means Standard Deviation

Objective 4: To determine the relationship between South African female consumers' objective knowledge of exotic crocodile leather accessories and her purchasing intent	**Exotic leather accessories**	Intrinsic features	Textile Design Construction Finishes	**Sub-objective 1 versus objective 3**		Pearson correlation p-value significance (5% significance)
	Objective knowledge	Functional behavioural qualities	Durability, Care			
	Purchase intent	Purchase intent	Purchase intent			
Objective 5: To determine the relationship between South African female consumer's importance of country-of-origin information and her purchasing intent	**Exotic leather accessories**	Extrinsic features	Country-of-origin Country-of-manufacturing	**Objective 2 versus objective 3**		Spearman correlation p-value significance (1% significance)
	Country-of-origin	Country of origin	Importance of country-of-origin			
	Purchase intent	Purchase intent	Purchase intent			

5.9 COMBATING ERROR

The study utilised a quantitative measurement, therefore it was important to be assured that the measurement technique was valid and reliable (Basham *et al*., 2010:51). Validity can be described as the degree to which an empirical measure adequately reflects the real meaning of the concept, in other words the concept that is being measured is actually measuring what it is supposed to measure (Basham *et al*., 2010:51; Delport & Roestenburg; 2011:172; Babbie, 2013). Salkind (2006:113) explained validity as the quality achieved when the results of the research reflect truthfulness, accuracy, authenticity, genuineness and soundness. Various types of validity were used to measure the concept, namely content validity, face validity, criterion validity, and construct validity (Basham *et al*., 2010:54; Delport & Roestenburg; 2011:173). Content validity and face validity were established prior to data collection; as for criterion validity and construct validity, they were established once the instrument had been used to collect the data (Delport & Roestenburg; 2011:173).

Content validity can be described as the evaluation of the items of the measure, to determine whether they are representative of the domain that the measure examines (Basham *et al*., 2010:55). To establish content validity the researcher represented questions in the questionnaire that were linked back to the objectives of this study, which were set out in the conceptual framework and operationalization. The study also presents a comprehensive literature review and operationalization. The test sample represented the population sample. The research company had their own methods to ensure that the population is represented according to the unit analysis identified, thereby ensuring validity.

To achieve *face validity,* the questions used in the measuring instrument should measure the concept it intends to measure (Basham *et al*., 2010:55). To ensure face validity the questionnaire should not only measure the attributes accurately but should also appear to be a relevant measure of those attributes (Delport & Roestenburg, 2011: 174). The supervisor evaluated and ensured that the questions and statements in the questionnaire measured the concept it was intended to measure.

Criterion validity examines whether the operationalization of the research instrument behaves the way it should, given the theory of the construct (Basham *et al*. 2010: 55). An

operationalization was designed to indicate how the questionnaire was created and how it was measured, which ensured validity. The study utilised measuring scales used by previous researchers (Brucks, 1985; Rao & Monroe, 1988; Spears & Singh, 2004; Yasin *et al*., 2007). The constructs, dimensions and indicators were determined by referring back to the literature review.

Construct validity refers to determining the degree to which an instrument measures a theoretical construct, in other words the instrument should validate the theory obtained (Delport & Roestenburg, 2011:175). An in-depth literature review was conducted for this study to construct the items that needed to be measured and previous research confirmed that the adapted scales used are suitable for this study.

Reliability is achieved when the instrument is used to measure the same thing more than once, and it results in the same outcome; reliability also refers to the stability and consistency of the measurement (Delport & Roestenburg, 2011:177). Consulta is a professional research company that uses their own database. Consulta Research Company was used to distribute the questionnaire to ensure that the measurement instrument measured consistently and was administrated consistently. The questionnaire was first evaluated and corrected by the supervisor to ensure that the measurements were standardized and consistent. The questions were constructed using simple and understandable language that moderates the degree of difficulty for the participants (Delport & Roestenburg, 2011:177). Closed-ended questions were asked, which also ensures stability and consistent results (Berndt & Petzer, 2011). A professional statistician captured and analysed the data by using SPSS. Association correlation tests (Spearman's correlation and Pearson's correlation) were implemented at a 5% level of significance beforehand to ensure that the technique used measured consistently.

5.10 ETHICS

The researcher was being honest and guarded against misconduct and impropriety that might reflect on the organization or institution, and had personal integrity (Walliman, 2011:239; Creswell, 2014:77). The research report addressed ethical issues such as personal disclosure, authenticity, and credibility (Creswell, 2014:77). The research cited authors

throughout the study according to the guidelines given by the Department of Consumer Science; a list of references and a signed plagiarism form were also provided.

This study consisted of a self-administered questionnaire survey and participants had to be gathered to conduct the research. The researcher had to be concerned with ethical responsibilities towards the participants (Walliman, 2011:239; Creswell, 2014:77). The participants were informed what the study was about, what the questionnaire entailed and the intention of the research; to this end, a cover page with the necessary information was presented to all the participants. Participation was voluntary and the participants could withdraw from the study at any time (Babbie, 2013:62). The participants had to be aware when taking part in the study, which the information was presented anonymously and confidentially. The researcher had an obligation to not deceive the participants and also not offer them a bribe to partake in the study (Babbie, 2013:72).

Before conducting the research, the researcher submitted the research proposal and questionnaire to the University of Pretoria's Faculty of Natural and Agricultural Ethics Committee. After the Ethics Committee had reviewed and approved the research, only then did the researcher distributed the self-administered questionnaires and gathered the data.

5.11 CONCLUSION

The research design and methodology were in a descriptive quantitative research paradigm, and were done at a certain point in time. The sample was narrowed down to South African female consumers because they were most likely to purchase luxury exotic leather accessories, according to Stokburger-Sauer and Teichmann (2013). The type of non-probability sampling that was used is called convenience sampling. It included respondents from a specific subset of the population that were the nearest and most easily available.

A research company was used to distribute the questionnaires to retrieve the data, which ensured reliability and validity. The measurement instrument was designed according to previously designed scales from researchers' previous work, which indicated validity. The scales that were used were nominal and ordinal scales. Therefore nominal and ordinal data was gathered and turned into information to explain and determine female consumers' degree of product knowledge and the importance of country-of-origin information. It also

determined their purchasing intent towards exotic leather accessories and lastly the relationship between the female consumer purchase intent and her objective knowledge as well as the importance of country-of-origin information.

CHAPTER 6

RESULTS AND DISCUSSION

This chapter presents the results in accordance with the objectives and relevant sections in the questionnaire according to the objectives used for this study.

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6.1 INTRODUCTION

This chapter discusses the sections in the questionnaire according to the objectives that were set for this study. There were N = 337 respondents and the data was gathered electronically. All the respondents were female South African citizens. The demographics, purchasing intent, subjective and objective knowledge, and country-of-origin information are explained according to the data that has been gathered.

6.2 DEMOGRAPHICS

This section explains the respondents' (N = 337) demographics, which formed part of Section A in the questionnaire (Questions V1-V7). It contains the age of the respondents (V1), South African citizenship (V2), ethnicity (V3), monthly household income (V4), the amount they were willing to pay when purchasing a handbag or a purse (V5.1; V5.2), fashion information sources (V6), and how often the respondents travel overseas (V7).

6.2.1 Age of the respondents

Figure 6.1 illustrates the age category of the respondents. Twenty-one per cent (21.0%) of the respondents (2.10% + 18.90%) fell between the ages of 18 and 35 years. The majority (58.40%) of the respondents (33.50% + 24.90%) fell between the ages of 36 and 55 years. Twenty point five per cent (16.90% + 3.60%) of the respondents fell between the ages of 56 and 65 years or upwards.
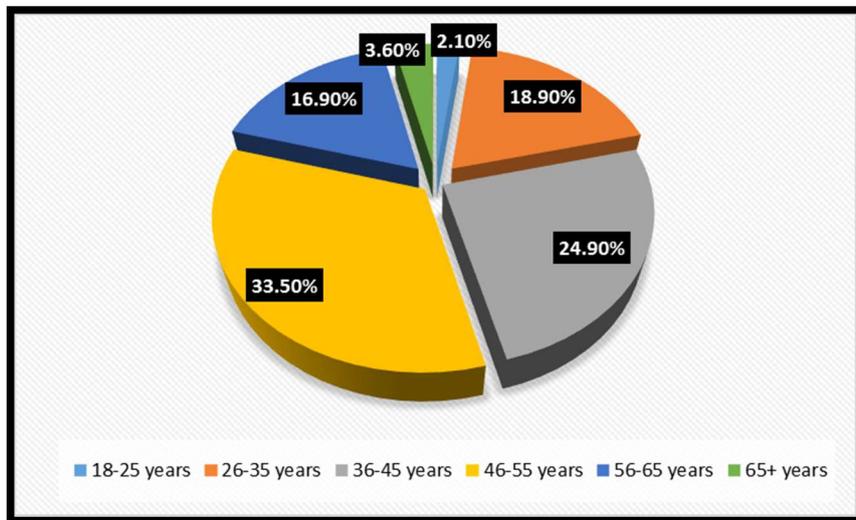
FIGURE 6.1: AGE OF RESPONDENTS (N = 337; Missing = 1)

6.2.2 South African citizenship

All the respondents (N = 337) were South African citizens, as that was a requirement for the sample.

6.2.3 Ethnicity of respondents

Most of the respondents (69.70%) were Caucasian; 14.20% of the respondents were African and 12.70% (6.20% + 5.60% +0.90%) were Coloured, Indian and Asian; 3.30% of the respondents preferred not to reveal their ethnicity.
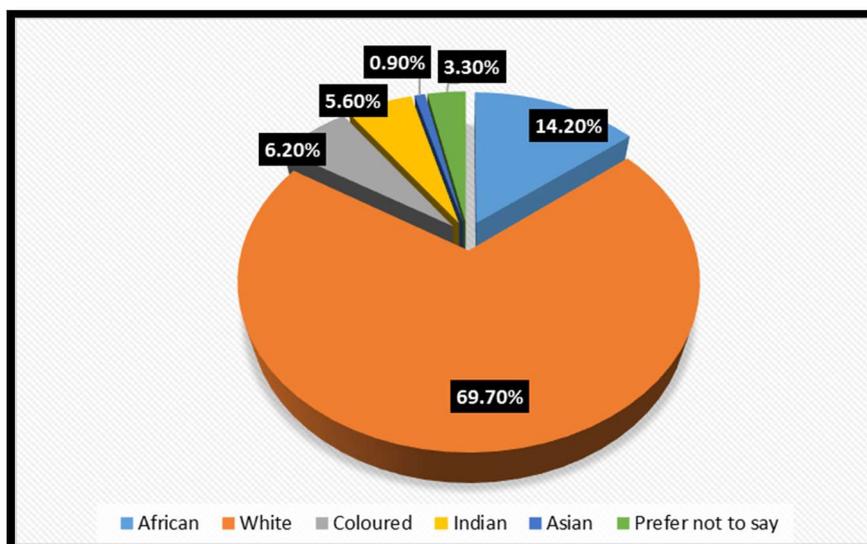

FIGURE 6.2: ETHNICITY OF RESPONDENTS (N = 337; Missing = 1)

6.2.4 Income of respondents

Figure 6.3 indicates the respondents' household income on a monthly basis. The income level was between R25 001 and R100 000, or more. A percentage of 31.80% of the respondents had a household income of between R25 001 and R40 000. The majority (42.50%) of the respondents (22.60% + 19.90%) had a household income of between R40 001 and R100 000. A small percentage of the respondents (6.80%) reported a monthly household income of R100 000 and more. Nineteen per cent (19.00%) of the respondents preferred not to reveal their monthly household income.
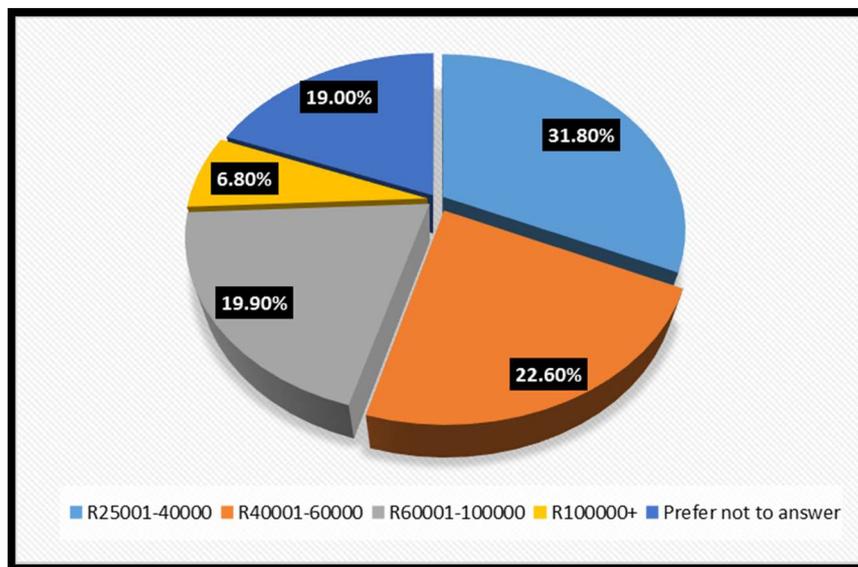

FIGURE 6.3: MONTHLY HOUSEHOLD INCOME OF RESPONDENTS (N = 337; Missing = 1)

6.2.5 The amount that the respondents were willing to pay for a genuine crocodile leather handbag or purse

The amount that the respondents were willing to spend on a luxury genuine crocodile leather handbag or purse is demonstrated in Figure 6.4 and Figure 6.5. Figure 6.4 demonstrates the amount the female respondents were willing to pay for a genuine crocodile leather handbag. Sixteen per cent (16.00%) of the respondents were willing to pay less than R 200.00 for a genuine crocodile leather handbag and 16.10% (3.30% + 12.80%) of the respondents were willing to pay between R201.00 and R1 000.00 for a genuine crocodile leather handbag. Most of the respondents (54.80%) were willing to pay between R1001.00 and R5000.00 for a genuine luxury exotic leather handbag. Twelve point five per cent (8.30% + 4.20%) of the respondents were willing to pay between R5001.00 and R20 000.00 for a

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genuine crocodile leather handbag. Only 0.60% of the respondents were willing to pay between R20 001.00 and R50 000.00 for a genuine crocodile leather handbag.
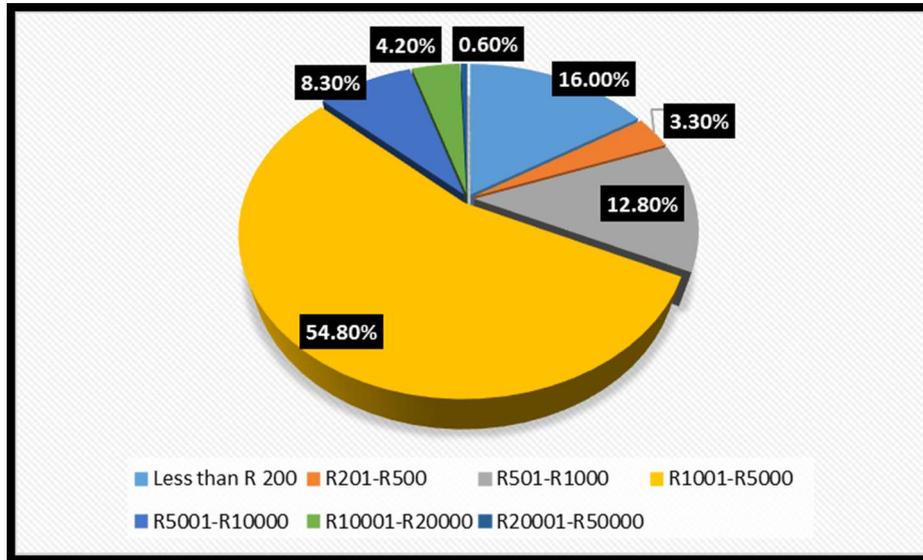
FIGURE 6.4: WILLINGNESS TO SPEND ON AN AUTHENTIC/GENUINE CROCODILE LEATHER HANDBAG (N = 337; Missing = 1)

Figure 6.5 demonstrates the amount that the female respondents were willing to pay for a genuine crocodile leather purse. Thirty-four point four per cent (34.40%) of the respondents (17.50% + 16.90%) were willing to pay only less than R200.00 or between R201.00 and R500.00 for a genuine crocodile leather purse. Thirty-two point nine per cent (32.90%) of the respondents were willing to pay between R501.00 and R1000.00 and thirty point three per cent (30.30%) of the respondents were willing to pay between R1001.00 and R5000.00 for a genuine crocodile leather purse. Only 2.40% of the female respondents were willing to pay between R5001.00 and R10 000.00 for a genuine crocodile leather purse. It is clear that the respondents in this study were not willing to pay market-related prices for either a genuine crocodile leather handbag or a genuine crocodile leather purse.
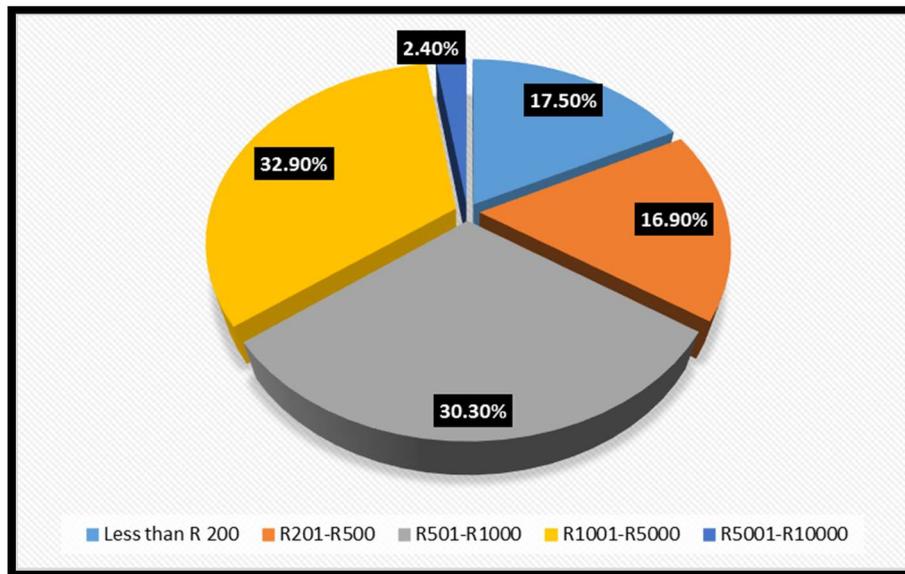
FIGURE 6.5: WILLINGNESS TO SPEND ON AN AUTHENTIC/GENUINE CROCODILE LEATHER PURSE (N = 337; Missing = 1)

### 6.2.6 Fashion information sources

In Question 6 of the questionnaire the female respondents had to indicate the sources where they received their information on fashion. The respondents (247) mostly chose in-store displays as their fashion information source, followed by the internet (172) and fashion magazines (161). In-store displays are an excellent source of information. Social media (117) and friends (115) were the least chosen as information sources on fashion. Some respondents identified other (20) sources for information regarding fashion. Among these other choices, television and movies were mentioned as a fashion information source, while other respondents said they did not follow fashion trends and only did what felt right to them.

TABLE 6.1: FASHION INFORMATION SOURCES

Fashion information source	Frequency
Fashion magazines	161
Internet	172
Social media	117
In-store displays	247
Friends	115
Other	20
N = 337	

6.2.7 International travel

The majority (63.50%) of the respondents (24.10% + 39.40%) never or seldom travel overseas. The rest (36.50%) of the respondents (26.10% + 7.10% + 3.30%) travel overseas either once, twice or more than twice in a year.
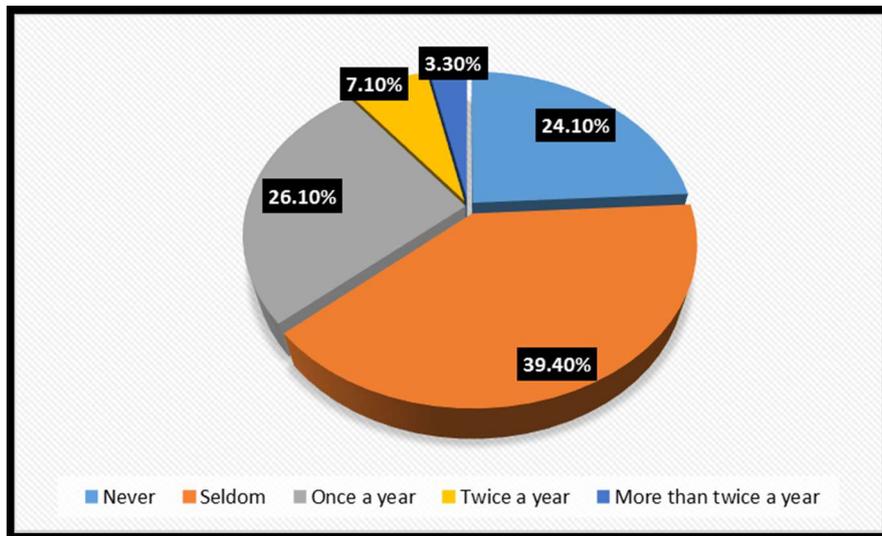
FIGURE 6.6: INTERNATIONAL TRAVEL (N = 337; Missing = 1)

6.3 RESULTS

In this section of the chapter, the results are explained according to this study's research objectives. Firstly, the female consumers' degree of knowledge (objective and subjective knowledge; obj. 1) and the importance of country-of-origin information (obj. 2) of a luxury exotic leather accessory are explained. Thereafter, the female consumers' purchase intent (obj. 3) is explained. Objective 4 investigates the relationship between the female consumers' objective knowledge and purchase intent. Lastly, objective 5 examines the relationship between the female consumers' importance of country-of-origin information and their purchase intent.

6.3.1 Knowledge regarding the luxury exotic crocodile leather accessories

The female consumers' knowledge was investigated in Section E (subjective knowledge) and Section F (objective knowledge) of the questionnaire. Subjective knowledge is presented in Table 6.2. The question was based on an existing scale developed by Flynn and Goldsmith (1999). The scale varied from 1 (a great deal) to 5 (nothing).

Subjective knowledge explains the degree of knowledge the consumers think they know about a product (O'Cass, 2004). Table 6.2 clearly indicates that most of the female respondents (86.40%) felt that they had no (15.40%), hardly any (34.30%) or a little (36.70%) knowledge of exotic crocodile leather products. This means the respondents did not think that they did know a lot about a genuine crocodile leather product. Three per cent (3.00%) of the respondents considered themselves to have a 'great deal' or, 'quite a lot' (10.4.0%) of knowledge of crocodile leather products.

TABLE 6.2: SUBJECTIVE KNOWLEDGE REGARDING LUXURY EXOTIC CROCODILE LEATHER ACCESSORIES

Construct	Statement in questionnaire	A great deal (%)	Quite a lot (%)	A little (%)	Hardly anything (%)	Nothing (%)	Missing (%)
Subjective Knowledge V49	Degree of knowledge of a crocodile leather product	3.00	10.40	36.70	34.30	15.40	0.30
Average		**3.00**	**10.40**	**36.70**	**34.30**	**15.40**	**0.30**
N = 337							

Table 6.3 presents the respondents' objective knowledge regarding the luxury exotic leather accessories, which was based on a self-developed scale based on Brucks (1985) and Rao and Monroe's (1988) work. The constructs were theoretically divided into intrinsic-related attributes and extrinsic-related attributes.

The majority (78.97%) of the respondents (66.56% + 12.41%) did not have sufficient knowledge regarding the *intrinsic-related attributes* for a genuine crocodile leather product or did not know what the answer was. However, most of the respondents (42.90%) did know that a high quality exotic leather product needed to be taken care of, which indicates that the respondents knew that leather products need to be maintained to keep their value (generally a well-known fact). On the other hand, only fourteen point five per cent (14.50%) of the respondents knew that beeswax will not harm genuine crocodile leather products, and only twenty-three point four per cent (23.40%) of the respondents knew that one should use a damp cloth for cleaning a crocodile leather product. Only eleven point eight

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per cent (11.80%) of the respondents knew that a semi-gloss crocodile skin handbag is more durable than a high-gloss bag, and only ten point four per cent (10.40%) of the respondents knew that stitched joints on a crocodile skin briefcase is an indicator of high-quality genuine crocodile leather. Twenty-one point nine per cent (21.90%) of the respondents knew that a natural crocodile design on genuine crocodile leather is less regular than on a stamped leather product.

Table 6.3 indicates that the majority (65.40%) of the respondents (52.0% +13.4%) did not have the knowledge regarding the *extrinsic-related attributes* of a genuine crocodile leather product or did not know what the answer was. However, forty-eight point eight per cent (48.80%) of the respondents knew that South Africa is known for its crocodile leather. Thirty-nine point one per cent (39.10%) of the respondents knew that finished crocodile leather products are not only imported to South Africa. The above indicates that a slightly higher percentage of the respondents were more knowledgeable on extrinsic than on intrinsic product-related attributes.

TABLE 6.3: OBJECTIVE KNOWLEDGE REGARDING LUXURY EXOTIC CROCODILE LEATHER ACCESSORIES

Construct	Statement in questionnaire	True (%)	Not Sure (%)	False (%)	Missing (%)
Intrinsic related attributes V51	Crocodile leather should regularly be conditioned	42.90	51.50	5.30	0.30
Intrinsic related attributes V53	A semi-gloss crocodile skin handbag is less durable than a high-gloss bag	11.80	70.10	17.80	0.30
Intrinsic related attributes V55	Beeswax will harm crocodile leather products	14.50	78.70	6.50	0.30
Intrinsic related attributes V56	Crocodile leather should never be cleaned with a damp cloth	23.40	64.50	11.80	0.30
Intrinsic related attributes V57	No stitched joints on a crocodile skin briefcase is an indicator of high-quality genuine crocodile leather	10.40	71.00	18.30	0.30
Intrinsic related attributes V58	The natural crocodile design on genuine crocodile leather is more regular than on stamped leather	21.90	63.00	14.80	0.30
Average		**20.81**	**66.46**	**12.41**	**0.30**
Extrinsic related attributes V50	South Africa is known for its crocodile leather	48.80	42.60	8.30	0.30
Extrinsic related attributes V52	Country-of-origin is the most important indicator of the quality of crocodile leather products	12.40	58.00	29.30	0.30
Extrinsic related attributes V54	Finished crocodile leather products are only imported to South Africa	39.10	57.10	3.60	0.30
Extrinsic related attributes V59	Brand name is the only indicator of genuine crocodile leather	37.00	50.30	12.40	0.30
Average		**34.32**	**52.00**	**13.40**	**0.30**
N = 337					

6.3.2 The importance of country-of-origin information

The importance of country-of-origin information for the respondents was investigated in section G in the questionnaire. The scale was based on an existing scale developed by Yasin *et al.* (2007). Each statement was independently considered. Therefore the following scale applies for interpretation purposes:

M ≥ 4.5: Country-of-origin's information is *very important* for the respondents.

M ≥ 4 < 4.5: Country-of-origin's information is *important* for the respondents.

M ≥ 3 < 4: Country-of-origin's information is *moderately important* to the respondents.

M ≥ 2 < 3: Country-of-origin's information is *somewhat important* to the respondents.

M < 2: Country-of-origin's information has *no importance* for the respondents.

The results showed that it was moderately important to the respondents that the country-of-origin be given on an exotic crocodile leather product (M = 3.04), and to know that the exotic crocodile leather product was made in South Africa (M = 3.20). It was however, only somewhat important to them to know that the country-of-origin was Eastern (M = 2.27) or Western (M = 2.28). It was also only somewhat important for them to know that the handbag was imported from another country (M = 2.38) and that the handbag was made in a Western (M=2.29) or an Eastern (M = 2.21) country.

TABLE 6.4: IMPORTANCE OF COUNTRY-OF-ORIGIN INFORMATION

Construct	Statement in questionnaire	Of no importance (%)	Somewhat important (%)	Moderately important (%)	Important (%)	Extremely important (%)	Missing (%)	Mean	Std. Deviation
COO V63	That the handbag was made in South Africa	21.30	9.80	18.60	28.10	21.90	0.30	3.20	1.44
COO V60	That the country-of-origin be given	21.60	16.60	14.80	30.20	16.60	0.30	3.04	1.41
COO V64	That the handbag was imported	41.70	13.30	18.60	16.90	9.20	0.30	2.38	1.40
COO V65	That the handbag was made in a Western country	45.60	10.70	20.70	14.20	8.60	0.30	2.29	1.38
C00 V62	That the country-of-origin is a Western country	45.30	12.70	18.60	14.50	8.60	0.30	2.28	1.38
C00 V61	That the country-of-origin is an Eastern country	47.60	12.70	14.50	14.50	10.40	0.30	2.27	1.44
C00 V66	That the handbag was made in an Eastern country	49.40	11.50	16.90	12.10	9.80	0.30	2.21	1.41
Average		**38.95**	**12.47**	**17.52**	**18.64**	**12.15**	**0.30**		
N = 337									

6.3.3 Purchasing intent regarding the luxury exotic crocodile leather accessories

Table 6.5 illustrates the results on the female respondents' purchasing intent for a luxury exotic leather crocodile product. This question was based on an adapted scale developed by Spears and Singh (2004). The question was in the form of a 5-point Likert scale, where it ranged from 1 (never) to 5 (Definitely).

The following applies to the purchasing intent's interpretation of the means (M):

M ≥ 4.5: Strong purchasing intent

M ≥ 3.5 < 4.5: Above average purchasing intent

M > 2 < 3.5: Weak purchasing intent

M ≤ 2: Very weak to no purchasing intent

The results show that the respondents in this study had a weak purchase intent for exotic crocodile leather accessories (M = 2.46), with a standard deviation of 1.3 (which is rather

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large). The majority of the respondents reported that they would never at some point buy an exotic crocodile leather accessory (31.70%); (M = 2.43), or at some point have the intention to buy an exotic crocodile leather accessory (31.70%); (M = 2.46), or at some point have a purchase intent for an exotic crocodile leather accessory (32.00%); (M = 2.48).

Only a small percentage of the respondents indicated that they will at some point definitely buy an exotic crocodile leather accessory (4.70%), at some point definitely have the intention to buy an exotic crocodile leather accessory (5.90%), and at some point definitely have a purchase intent for an exotic crocodile leather accessory (8.00%), while a substantial percentage (61.78%) of respondents indicated that they might or probably will in the future buy exotic crocodile leather accessories or were not sure (SD=1.3).

TABLE 6.5: PURCHASING INTENT REGARDING LUXURY EXOTIC CROCODILE LEATHER ACCESSORIES

Construct	Statement in questionnaire	Never (%)	Maybe (%)	Not sure (%)	Probably (%)	Definitely (%)	Missing (%)	Mean	Std. Deviation
Purchase intent V46	At some point buy an exotic crocodile leather accessory	31.70	24.00	18.60	20.70	4.70	0.30	2.43	1.25
Purchase intent V47	At some point have the intention to buy an exotic crocodile leather accessory	31.70	23.40	17.50	21.30	5.90	0.30	2.46	1.29
Purchase intent V48	At some point have a purchase interest for an exotic leather accessory	31.00	23.10	17.80	18.90	8.00	0.30	2.48	1.32
Average		31.80	23.50	17.96	20.30	6.20	0.30	2.46	1.3
N = 337									

6.3.4 The relationship between the female consumer's objective knowledge and purchasing intent

Objective 4 investigated the relationship between female consumers' objective knowledge and their purchasing intent. A Pearson correlation was used to measure the relationship between the two constructs of objective knowledge, that was theoretically divided

(intrinsic-related attributes and extrinsic-related attributes) and purchasing intent. A sample size of N = 337 was used to calculate the Pearson correlation between the variables.

Table 6.6 clearly shows that there was a weak, negative but statistically significant (p ≤ 0.05) relationship between the intrinsic-related attributes and purchase intent (r = –0.124, N = 337, p = 0.023). There was no statistically significant relationship between extrinsic-related attributes and the respondents' purchasing intent.

TABLE 6.6: THE RELATIONSHIP BETWEEN FEMALE CONSUMERS' OBJECTIVE KNOWLEDGE AND PURCHASING INTENT

		Purchase intent	Intrinsic and behavioural attributes	Extrinsic attributes
Purchase intent	Pearson Correlation	1	-.124[*]	.074
	Sig. (2-tailed)		.023	.177
	N	337	337	337
Intrinsic and behavioural attributes	Pearson Correlation	-.124[*]	1	.214[**]
	Sig. (2-tailed)	.023		.000
	N	337	337	337
Extrinsic attributes	Pearson Correlation	.074	.214[**]	1
	Sig. (2-tailed)	.177	.000	
	N	337	337	337

* Correlation is significant at the 0.05 level (2-tailed).

** Correlation is significant at the 0.01 level (2-tailed).

6.3.5 The relationship between the importance of country-of-origin information in the female consumers' and purchasing intent

A Spearman rank-order correlation was used to determine the relationship between the importance of country-of-origin information variables and purchase intent (objective 5). A sample size of N = 337 was used to calculate the Spearman correlation between the variables.

Table 6.7 clearly indicates that there were among all the variables, a weak relationship between importance of country-of-origin information and purchase intent. It was however, not statistically significant.

TABLE 6.7: THE RELATIONSHIP BETWEEN THE IMPORTANCE OF COUNTRY-OF-ORIGIN INFORMATION IN THE FEMALE CONSUMERS' PURCHASING INTENT

		Purchase intent
That the country-of-origin be given	Correlation Coefficient	.018
	Sig. (2-tailed)	.747
	N	337
That the country-of origin is an Eastern country	Correlation Coefficient	-.013
	Sig. (2-tailed)	.812
	N	337
That the country of origin is a Western country	Correlation Coefficient	-.024
	Sig. (2-tailed)	.663
	N	337
That the handbag was made in South Africa	Correlation Coefficient	.063
	Sig. (2-tailed)	.247
	N	337
That the handbag was imported	Correlation Coefficient	.034
	Sig. (2-tailed)	.536
	N	337
That the handbag was made in a Western country	Correlation Coefficient	-.041
	Sig. (2-tailed)	.455
	N	337
That the handbag was made in an Eastern country	Correlation Coefficient	-.026
	Sig. (2-tailed)	.628
	N	337

** Correlation is significant at the 0.01 level (2-tailed)

6.4 DISCUSSION

The study was conducted to determine the role of knowledge and the importance of country-of-origin information in the female consumers' purchase intent towards exotic leather accessories. Most of the female respondents (58.40%) were between the ages of 36 and 55 years, Caucasian (60.70%), and had a monthly household income (42.50%) of between R40 001 and R100 000. Most of the respondents (63.50%) never or seldom travel overseas. When purchasing a genuine crocodile leather product the respondents in this study were not willing to pay market-related prices for either a genuine crocodile leather handbag or a genuine crocodile leather purse. The price of a small genuine leather purse (size of a wallet) would range from approximately R2000.00 to R9000.00 and a slightly bigger purse (size of a clutch bag) would range from approximately R5000.00 to R20 000.00. A genuine crocodile leather handbag would sell at R100 000.00 and more. The price for a

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genuine leather handbag or purse would depend on the type of finish, style and the graded crocodile skin the handbag was made of (Brits, 2016). Only a small percentage of the respondents were willing to pay between R20 001.00 and R50 000.00 for a genuine crocodile leather handbag (0.60%), and only 2.40% of the respondents were willing to pay between R5001.00 and R10 000.00 for a genuine crocodile leather purse. Most of the respondents (247 out of 337 respondents) chose in-store displays as their source of fashion information. In-store displays can be an excellent source of information. However, the information should be available immediately for the consumer during the decision-making process, where it could be provided by sales assistants, could appear on the labels of the product, or be contained in in-store advertising and catalogues. Richard Schäffer (2016), Director and Head of Sales of Cape Cobra Leathercraft, mentioned that when it comes to luxury exotic leather products most of the clients will ask the sales assistant questions to gain more knowledge about the product. The internet (172 out of 337 respondents) and fashion magazines (161 out of 337 respondents) were also chosen as sources of information on fashion. According to O'Cass (2004), consumers gain product knowledge through exposure, usage experience, and media such as high-end magazines, internet, as well as interaction with the sales assistant.

Lin and Chen (2006) stated that product knowledge is an important factor when a consumer decides whether to purchase a product or not. The first objective of this study was to determine the female consumer's knowledge of exotic leather accessories, which was further divided into subjective knowledge and objective knowledge. Most of the respondents in this study did not think that they knew a lot about genuine crocodile leather products and therefore had low subjective product knowledge. According to Brucks (1985) and Gronhaug *et al.* (2002), consumers with a low level of subjective knowledge would not have confidence when evaluating alternatives or when making the final purchasing decision, in which case they would have to search for more information to gain more confidence, regardless of what they actually know. Exotic leather accessories are expensive products that most consumers do not buy regularly and therefore most probably would not have much experience of, leaning to nothing or very little information that can be retrieved from memory (Desmet & Hekkert*,* 2007). This then places a huge responsibility on the

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manufacturer or retailer of providing the customer with enough information that could enhance her self-confidence to make a decision.

Objective knowledge can be described as the actual information stored in the long-term memory (what the consumer actually knows) (Brucks, 1985; Park & Moon, 2003). In this study, the respondents' objective knowledge of intrinsic- and extrinsic-related attributes of a genuine crocodile leather product was determined. Most of the respondents in this study had limited knowledge of intrinsic-related attributes of a crocodile leather handbag or purse, neither on physical attributes that could assist them with identifying a genuine crocodile leather handbag or purse of a higher quality, or on how to care for such a product. That would leave them totally vulnerable in a situation where they had to make a purchasing choice. When consumers lack knowledge on a product's intrinsic attributes, they will switch to extrinsic attributes, such as brand name or country-of-origin to assist them in making a final decision (Brown & Rice, 2001). Unfortunately, the respondents in this study also had poor, although slightly better, knowledge on the worth of any extrinsic information on products, in this case specifically on crocodile leather accessories.

Substantial variation has been reported in the relationship between objective knowledge and subjective knowledge; some researchers have reported positive correlation and others reported insignificant or weak correlation (Carlson, Vincent, Hardesty & Bearden, 2009), but all were in agreement that usage experience in all cases forms the basis for subjective and objective knowledge (Brucks, 1985; Dodds, Laverie, Wilcox & Duhan, 2005), and that both subjective and objective product knowledge play an important role in the decision-making process regarding purchasing or not. Berger *et al.* (1994) found that attitudes alone, specifically in the case of highly involved categories (such as expensive products), are not enough to predict any purchase intentions for a specific product, and that knowledge of the products may enhance the impact of attitude on choice (for example, choosing between a genuine exotic leather handbag and a counterfeit product). These researchers concluded based on their results that even subjective knowledge operated as a direct influence on intentions, but also as the moderator of the relationship between attitudes and intentions. This implies that disseminating knowledge on alternatives or exquisite products, may make them more attractive to consumers. Lin and Chen (2006) found that product knowledge has

a significant positive influence on consumers' purchasing decisions, even under different product involvement levels. Respondents in this study had a poor objective knowledge of intrinsic and behavioural product attributes, this confirms the results of Belleau, Nowlin, Summers and Xu (2001) who also found that American consumers had a poor objective knowledge of exotic leather products. However, it should be noted that this study did not test for causality but only for relationships. A weak negative but significant relationship was found between respondents' objective knowledge of intrinsic and behavioural product attribute and their purchasing intent.

In this study country-of-origin information as well as country-of-manufacturing information was not important for the respondents, except for the fact that the exotic leather accessory was made in South Africa. This could be explained against the fact that they had in any case poor knowledge on extrinsic-related attributes, specific crocodile leather accessories and specifically did not know whether country-of-origin was the most important indicator of quality or whether brand name was the only indicator of quality. Information regarding country-of-origin and country-of-manufacturing would therefore mean nothing to the respondents, except that the product was made in South Africa, which could be an indication of some level of quality which is also boosting a sense of national identity. In all cases there were also no statically significant relationship between the importance of country-of-origin information and the respondents' purchasing intent.

6.5 CONCLUSION

Many previous studies emphasized the importance of knowledge and country-of-origin information in consumers' purchasing behaviour. The results of this study showed that respondents had poor objective as well as subjective knowledge of crocodile leather accessories and had a low need for country-of-origin or country-of-manufacturing information on crocodile leather accessories. They also had a weak purchasing intent for luxury exotic leather accessories, with only weak relationships between their knowledge as well as their need for country-of-origin information and their purchasing intent, which were in most cases also not statistically significant.

However, the substantial of the respondents indicated that they might or probably will in the future buy exotic crocodile leather accessories or were not sure (SD=1.3). Implications for retailers and manufacturers are discussed in the last chapter.

CHAPTER 7

CONCLUSION

In this chapter, conclusions are discussed, the contribution of this study to existing theory is highlighted, while an evaluation of this study, the limitations of this study, and implications drawn from the findings are focused on, and some recommendations are made for further studies.

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7.1 INTRODUCTION

The purpose of this study was to explore and determine the role of knowledge and importance of country-of-origin information in the female consumers' purchasing intent of exotic leather accessories. The study focused specifically on exotic crocodile leather accessories. The theories regarding the consumers' product knowledge, quality evaluation (intrinsic-related attributes and extrinsic-related attributes), importance of country-of-origin information, and purchase intent served as a starting point for this study. The study was viewed from a social cognitive perspective which highlighted consumers' decision-making processes and their cognitive behaviour.

In this chapter, conclusions are made, the contribution of this study to existing theory is highlighted, while an evaluation of this study, the limitations of the study, implications drawn from the findings are discussed, and recommendation for further studies are also made.

7.2 CONCLUSION

7.2.1 Demographic background of the study

The respondents were female, Caucasian, between the ages of 18 and 65 years throughout South Africa. Most of the respondents indicated that they do not travel overseas that

frequently, and that in-store displays were mostly chosen as their source of fashion information. A sample of N = 337 respondents were gathered.

7.2.2 General conclusion

The female consumers' role in knowledge of exotic crocodile leather accessories was determined by dividing the first objective into two sub-objectives, namely to determine the female consumers' subjective knowledge and their objective knowledge of exotic crocodile leather accessories. The findings showed that most of the female respondents did not perceive themselves as knowing a lot about exotic leather accessories, indicating that the respondents had low subjective knowledge (sub-objective 1.2). This was most probably due to the fact that they did not have experience with exotic crocodile leather products.

Objective knowledge was determined by dividing the construct into intrinsic-related attributes and extrinsic-related attributes (sub-objective 1.1). Most of the female respondents had limited knowledge on the exotic crocodile leather's intrinsic-related attributes. With regard to the physical attributes, such as finish, construction, textile and natural design of the exotic crocodile leather products, the respondents did not have sufficient knowledge of these intrinsic-related attributes. However, the respondents did seem to know slightly more on how to take care of an exotic crocodile leather accessory. This implies that they knew that such a prestige product should be well taken care of, most probably from having this knowledge from previous experience with other luxury leather accessories. When consumers do not have the sufficient knowledge regarding the intrinsic-related attributes, they would rely on extrinsic-related attributes to make an appropriate choice. The findings indicated that most of the female respondents also did not have the knowledge on the exotic crocodile leather's extrinsic-related attributes. However, the results did show that slightly more respondents knew that South Africa is known for its crocodile leather, which implies that they most probably are aware of the South African crocodile leather industry; also, the study was conducted by specifically using South African female consumers.

When consumers do not have knowledge of a product, they will use mental shortcuts or do extended research to make the purchasing decision easier. Information such as country-of-

origin is easily accessible for consumers who need to make a purchasing decision. According to the findings in this study, the respondents did not find the information regarding the country-of-origin of exotic crocodile leather accessories to be important (objective 2). The fact that they had a low degree of knowledge on the extrinsic-related attributes of the exotic leather accessories could imply that they would also not find the country-of-origin information important. However, some of the respondents did find it important that the exotic crocodile handbag was made in South Africa, suggesting that the respondents perhaps found it important when a product was Proudly South African made or maybe would want to support such a South African product.

The findings showed that the respondents had a low purchasing intent for exotic crocodile leather accessories (objective 3). Nonetheless, some of the respondents (20.30%) did indicate that they most probably would have a purchasing intent in future to buy exotic crocodile leather accessories. This is encouraging, but with a low level of knowledge on these products, these consumers will have to rely on external sources of information, such as information on labels or knowledgeable sales assistants. Advertisements in fashion magazines and social media, labels placed on the exotic crocodile leather accessories, and well-trained and knowledgeable sales assistants will assist these respondents in gaining the necessary knowledge and experience on exotic crocodile leather products, which will make these respondents confident in purchasing such a prestige product.

The findings also indicated that that there was a weak, negative but statistically significant relationship between the intrinsic-related attributes and purchasing intent (objective 4), but there was no statistically significant relationship between extrinsic-related attributes and the respondents' purchasing intent (objective 4), nor between the importance of country-of-origin information and the respondents' purchasing intent (objective 5).

7.3 IMPLICATIONS OF THE STUDY

The study's findings could make a contribution to the South African exotic crocodile leather industry and specifically to retailers, manufacturers, tanneries, and marketers.

The respondents in this study indicated that they mostly chose in-store displays as their source of fashion information, followed by the internet and fashion magazines. The South

African retailers and marketers can make use of these fashion information sources to create a demand, and to supply the consumers with important information regarding the exotic crocodile leather accessories. Important information such as durability, construction, type of finish used, care and country-of-origin information regarding exotic crocodile leather accessories should be easily accessible for the consumers through knowledgeable sales assistants, fashion magazines that illustrate luxury products, and social media, to express a desirable lifestyle. The retailers should inform their sales assistants what the product is about and advise them to be more attentive towards customers. By using knowledgeable sales assistants in luxury exotic leather stores the customers can gain more information regarding the product. In return, the consumers can become more confident about the product and the information gained could assist the customers at that moment and positively influence their purchasing intent. Information such as durability, construction, type of finish used, care and country-of-origin information regarding exotic crocodile leather accessories should be provided by the sales assistant.

Retailers and marketers should use catalogues or provide magazines in the store for the customers to read to get a better view of the brand and the product. Glossy magazines such as *Marie Claire, Elle* magazine and *Foreign Guide* (Embassy magazine), could offer advertisements that illustrate the exclusivity of the exotic crocodile leather products or an article placement explaining the necessary information, such as country-of-origin information or the intrinsic-related attributes and extrinsic-related attributes of exotic crocodile leather products. Internet and social media are excellent ways to market and brand a product. By promoting the brand or products online, retailers can use social media to communicate the brand or product, which can assist the consumer with information when needed. Information on the website or social media is easily accessible and immediately available for the consumer. The website can have information regarding the exotic crocodile leather products' finish, construction, care, type of skin and country-of-origin and country-of-manufacturing. For social media such as Facebook and Instagram the marketers can create a product that demonstrates a lifestyle by using information that is important to them, such as that the product is made in South Africa because the respondents in this study did know that South Africa is known for its crocodile leather. Because the respondents had low knowledge regarding the exotic crocodile leather

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accessories' intrinsic-related attributes, which also influences the respondents' purchasing intent, marketers can use these findings to give information regarding the construction, finish, and design on these social media platforms, combined with an illustrated artwork representing these variables. This way the respondents can gain more knowledge on exotic crocodile leather accessories, which will assist them during the decision-making process regarding purchasing.

Marketers and manufactures can use information that the respondents did find important, which the information was regarding exotic crocodile leather accessories to be made in South Africa and that the country-of-origin should be given on exotic crocodile leather products. The crocodile leather product can be clearly marketed as a South African product by placing visible labels onto these products and by using an engraved stamp which also represents its authenticity. By giving these types of country-of-origin information on the labels of the products, customers can gain more information on and confidence in the product. South African consumers and international consumers can possibly associate exotic leather accessories made in South Africa with high quality, which would contribute to the South African luxury exotic leather industry as well as South Africa's competitiveness against international luxury brands such as Hermés or Louis Vuitton.

7.4 CONTRIBUTIONS TO THE THOERY

The findings and conclusions drawn in this study may contribute to existing theory and can serve as the basis for future research in consumer behaviour, consumer science and the luxury exotic leather industry in South Africa. The findings and conclusions in this study contribute to existing theory, such as the relationship between the consumer's purchasing intent and objective knowledge, and the relationship between the consumer's purchasing intent and country-of-origin. To date, limited empirical evidence has addressed the degree of product knowledge and the importance of country-of-origin in the consumer's purchasing intent toward exotic leather accessories.

The findings of this study support the existing theories of Brucks (1985) and Lin and Chen (2006), which indicated that product knowledge has an influence on consumers' purchasing decisions. Brucks (1985) differentiated between subjective and objective knowledge. Brucks

(1985) explained that objective knowledge refers to what an individual actually knows and it is likely that objective knowledge relates to aspects of product search information and the behaviour in the decision-making process. Lin and Chen (2006) explained that consumers that select a product rely on their product knowledge to do product evaluation, which affects their information search. The level of product knowledge would determine consumers' purchasing behaviour during the decision-making process, which indirectly affects their purchasing intent. The findings showed that there was a weak, negative but statistically significant relationship between objective knowledge regarding intrinsic-related attributes and purchasing intent.

Previous researchers (Lin & Chen, 2006; Pappu *et al.*, 2006; Yasin *et al.*, 2007; Roth & Diamantopoulos, 2009; Lee *et al.*, 2012) found that country-of-origin, as an extrinsic cue, has an important influence on a consumers' purchasing decision. Lin and Chen's (2006) findings showed that country-of-origin has a positive influence on consumers' purchasing decisions under different product involvement situations. However, to date there are not many studies that have measured the statistical significance between importance of country-of-origin information and purchase intent. In this study, the findings showed that there was no statistically significant relationship between importance of country-of-origin information and the respondents' purchase intent.

7.5 EVALUATION OF THE STUDY

Evaluation of the study is necessary to reflect on the study to ensure that the objectives were met and that the data collected and the research findings were valid and reliable in terms of the research.

7.5.1 Research strategy

A quantitative descriptive research strategy was implemented and was deemed relevant as it offered statistical legitimacy and reflects the population that was being studied more precisely. The data gathered reflected the population being studied, indicating validity. The research was based on a survey and quantitative data was collected by means of an electronically structured questionnaire. Distributing electronic questionnaires by using a research company ensured that the questionnaires were gathered in an ethical manner and

evenly distributed throughout South Africa. The structured questionnaire was compiled by referring to the theory of previous research, which was mentioned in the literature review. This ensured that the results represented what they should, in line with the objectives of the study, indicating validity.

7.5.2 Sampling method

Non-probability sampling was used to recruit the respondents in this study. Convenience sampling was used to collect a specific subset of the population that was easily accessible. The sample was South African female consumers, aged 18 to 65, with an income of between R25 000 and R 100 000 or more. Non-probability sampling is a risky method but it is an easy way to gain a large number of completed questionnaires. A large sample had to be gathered in order to be able to investigate the objectives of this study, which made this sampling method an appropriate measurement.

7.5.3 Quality of the data

The following measures were taken to ensure validity and reliability of the questionnaire and results. These measures were also discussed in the methodology chapter (Chapter 5).

7.5.3.1 Validity

Validity refers to the degree to which the instrument measures the concepts that it intends to measure (Delport & Roestenburg, 2011:172). The following types of validity were used for the quantitative research to observe the questionnaire that was presented in this study.

Content validity

To establish content validity the researcher presented questions in the questionnaire that was linked back to the objectives of this study, as set out in the conceptual framework and operationalization. The pilot test had to represent the population sample. By doing so the sample was confined to only female consumers between the ages of 18 and 65 and more, with a monthly household of between R 25 000 and R 100 000 or more. Consulta Research Company had their own methods to ensure that the sample was gathered ensuring that the items measured the domain being examined.

Face validity

The measuring instrument was firstly evaluated and ensured that the questions and statements in the questionnaire measured the concept it was intended to measure, before it was sent to the research company who distributed the questionnaires. The supervisor evaluated and corrected the questionnaire where necessary. The language used in the questionnaire was easily understandable, which also ensured that the questions measured what they appeared to measure, ensuring face validity of the measuring instrument.

Criterion validity

Criterion validity was obtained by developing an operationalization which presented the concepts, dimensions and indicators that were determined by referring back to the literature review in the study. The operationalization indicated how the questionnaire was designed and how it was measured, ensuring its validity.

Construct validity

An in-depth literature review was conducted for this study, which confirmed the adapted scales used to be suitable, ensuring that the constructs were understood and that the measuring instrument validated the theory obtained. Construct validity was established by referring to established scales that have been tested and proven to be effective in previous studies; also, the results were validated by referring back to the theory and were compared against previous research findings. This way, it ensured the success of the instrument.

7.5.3.2 Reliability

Reliability refers to the matter in which a particular technique, applied repeatedly to the same object, would yield the same results each time (Babbie & Mouton, 2001:119). The measurement procedure should indicate stability and consistency in order for it to be reliable. A research company, Consulta, was used to distribute the questionnaire to the respondents and also collected the data. The research company used their own database, thus limiting research bias. The questionnaires were all administered in the same way, which ensured consistency of the distribution of the questionnaires and thus measured under the same conditions. By using an online self-administered questionnaire the

respondents could not be influenced by the bias of field workers. The questions were constructed using simple and understandable language, which moderates the degree of difficulty for the participants.

The questions used were structured closed-ended questions. The frequency and comprehensiveness of occurrence can be ascertained meaningfully by closed-ended questions. The data was captured and analysed using SPSS software and the data was statistically analysed by a professional statistician. Pearson correlation and Spearman correlation tests were implemented at a 5% level of significance, to confirm the relationships between variables of interest before the results were presented, ensuring stable and consistent results.

7.5.4 Achievement of the objectives of the study

The primary objectives and sub-objectives were determined for this study in order to solve the research problem (Chapter 1). The primary objectives and sub-objectives were based on an in-depth literature review, and a conceptual framework was designed as a guideline to achieve the objectives stated. The questionnaire addressed al the set objectives and sub-objectives. The data obtained was illustrated in frequency tables and graphs (Chapter 5), and the results were discussed and compared to the literature review (Chapter 6), which linked to the objectives and sub-objectives. The results, interpretation and conclusions drawn made it possible for the researcher to identify limitations so that recommendation could be made for the luxury exotic leather industry as well as future research.

7.5.5 Ethics

For the researcher to ensure that the research was conducted in an ethical way, one had to indicate whether they were honest and not misleading the participants. To ensure that the researcher performed in an ethical manner, she was concerned with ethical responsibilities towards the participants. The questionnaire had a cover letter clearly explaining the nature of the study and also stated that the questionnaire assured anonymity to the participants. This study consisted of a self-administered questionnaire survey and participants had to be gathered to conduct the research. The research company, Consulta had they own methods and database for gathering participants. The participants were informed what the study was

about, what the questionnaire entailed and the intention of the research. Participation was voluntary and the participants could withdraw from the study at any time.

Before conducting the research, the researcher submitted the research proposal and questionnaire to the University of Pretoria's Faculty of Natural and Agricultural Ethics Committee. After the Ethics Committee had reviewed and approved the research, only then did the researcher distributed the self-administered questionnaires and gathered the data.

7.6 LIMITATIONS OF THE STUDY

The results are based on non-probability convenience sampling, therefore the findings cannot be generalized to the wider population. The results gathered also showed that the sample frame was mostly Caucasian and the population was only restricted to the female consumer group in South Africa. A sample population that reflected a diversity of ethnicity and gender, would have been ideal. The exotic leather industry markets for affluent consumers, therefore one would have liked to have approached a population group that were affluent respondents with an annual household income of more than R100 000 and which is part of a high-class socioeconomic group. In this case, the population sample reflected only a sample frame of 337 respondent female consumers.

7.7 RECOMMENDATIONS FOR FUTURE STUDIES

The respondents in this study had a monthly household income of between R25 001 and R100 000 or more, and the respondents stated that they were not willing to pay the market-related price for a genuine crocodile leather purse or handbag. For future research, the study can be more focused on affluent consumers with an annual household income of more than R100 000 and those who are willing to pay the market-related amount for a genuine crocodile leather purse or handbag.

Another limitation of this study was that only the South African female consumers were approached. Future studies should consider males as a potential sample population too. In this study it was also noted from the findings that the sample population consisted of mostly Caucasian women, therefore future studies may attempt to have a more diversified sample population.

Tourism in South Africa is increasing, especially among the Nigerian more affluent consumers who shop in countries such as South Africa because of leading brands, such as Louis Vuitton, investing and opening stores in South Africa. The leading luxury brands attract a large portion of tourists to South Africa, which makes it possible for future studies to be conducted on tourists in South Africa.

7.8 SUMMARY

The results in this study presented interesting findings on the role of knowledge and importance of country-of-origin information in female consumers purchase intent towards exotic crocodile leather accessories. The findings regarding exotic crocodile leather accessories showed that the female consumers do not have objective knowledge or subjective knowledge, did not seem to find country-of-origin information important, had a weak purchase intent, and there was statistical significance only between the female consumers' purchasing intent and their objective knowledge regarding the intrinsic-related attributes of exotic crocodile leather accessories. To date, this study has not yet been examined in a South African context, which adds to future research. Although the quality of the research was guaranteed throughout the study to ensure validity, reliability and ethicality, there were some limitations which also occurred. These errors in this study were kept to a minimum to eliminate bias in the results.

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ADDENDUM A: QUESTIONNAIRE

This email contains images. Please remember to enable your browser and security/permission settings for it to display correctly.

To ensure email delivery, please add frontdesk@consultapanel.co.za to your address book.

Dear Helena

This one is for the ladies! Are you the kind of *"Fashionista"* who believes less is more or do you like to be known for your flamboyant fashion accessories? No matter your personal style, if you fancy leather, then this academic study is for you.

Did you know?

"The leather industry generates more than $53.8 billion US dollar worldwide each year."

In this short 5 minute study, we are interested in understanding your **buying behaviour** when shopping for leather products. Do you take the origin of the leather into consideration or do you perhaps find the brand name to be the deciding factor?

Up for grabs?

By completing this study, you stand a chance of be awarded with a **FOSSIL leather handbag valued at R1500!**
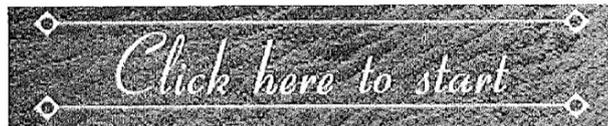
Remember that you can also complete the questionnaire on your Smartphone or tablet and even

file:///C:/Users/U02339293/AppData/Local/Temp/XPgrpwise/5770F435MCDOMMC... 2016/10/14

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find it on your ConsultaPanel dash! Please be assured that all information will be kept confidential, so get started ASAP!

Ciao for now,

The ConsultaPanel Team

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Unsubscribe fron the ConsultaPanel
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© University of Pretoria

What influences your leather buying behaviour? [English (South Africa)]

Welcome to the "What influences your leather buying behaviour?" questionnaire.

Ladies, we are excited to hear your views and opinions regarding fashion!

After all *"Give a girl the right shoes and she can conquer the world"* as Marilyn Monroe once said.

We look forward to conquering all of these unanswered questions with your help!

Thank you again for your willingness to participate, please click *"Next"* to start the questionnaire.

(End of Page 1)

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Seeking Information. **Where do you seek information about the newest fashions in accessories?**

You may choose more than one.

☐ Fashion magazines (Elle, Harper, etc.)
☐ Internet
☐ Social media (Facebook, twitter, etc.)
☐ In-store displays
☐ Friends
☐ Other (please specify) _____

(End of Page 2)

Travel Overseas. **How often do you travel overseas?**

○ Never
○ Seldom
○ Once a year
○ Twice a year
○ More than twice a year

(End of Page 3)

Section B: Statements. **Now please share your opinions with us regarding luxury brands and/or products.**

Please think carefully and indicate how strongly you agree or disagree with the following statements:

Please note the that there are no right or wrong answers.

	Strongly disagree	Disagree	Agree	Strongly agree
It is important that others have a high opinion of how I dress and look	O	O	O	O
Few people own a true luxury product	O	O	O	O
I view luxury brand/product purchases as gifts for myself to celebrate something that I do and feel excited about	O	O	O	O
The superior	O	O	O	O

product quality is my major reason for buying a luxury brand/product				
I place emphasis on quality assurance over prestige when considering the purchase of a luxury brand/product	O	O	O	O
I derive self-satisfaction form buying luxury products	O	O	O	O
Purchasing luxury clothing makes me feel good	O	O	O	O
To me, my friends' perceptions of different luxury brands or	O	O	O	O

products are important	O	O	O	O
I pay attention to what types of people buy certain luxury brands or products	O	O	O	O
Truly luxury products cannot be mass-produced	O	O	O	O
I am inclined to evaluate the substantive attributes and performance of a luxury product rather than listening to the opinions of others	O	O	O	O
Wearing luxury clothing gives me a lot of pleasure	O	O	O	O

Section B: Statements2. **Please think carefully and indicate how strongly you agree or disagree with the following statements:**

Please note the that there are no right or wrong answers.

	Strongly disagree	**Disagree**	**Agree**	**Strongly agree**
When I am in a bad mood, I may buy luxury brands/products as gifts for myself to alleviate my emotional burden	O	O	O	O
I like to know what luxury brand and product make good impressions on others	O	O	O	O
It is important to know what others think of people who use certain luxury	O	O	O	O

Section B: Statements2. **Please think carefully and indicate how strongly you agree or disagree with the following statements:**

Please note the that there are no right or wrong answers.

	Strongly disagree	Disagree	Agree	Strongly agree
	O	O	O	O
When I am in a bad mood, I may buy luxury brands/products as gifts for myself to alleviate my emotional burden	O	O	O	O
I like to know what luxury brand and product make good impressions on others	O	O	O	O
It is important to know what others think of people who use certain luxury	O	O	O	O

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brands or products				
A luxury product cannot be sold in supermarkets	O	O	O	O
A luxury brand/product that is preferred by many people but that does not meet my quality standards will never enter into my purchase consideration	O	O	O	O
I view luxury brand/product purchases as gifts for myself to celebrate an occasion that I believe is significant to me	O	O	O	O
I am interested in	O	O	O	O

determining what luxury brands/products I should buy to make good impressions on others				
Luxury products are inevitably very expensive	○	○	○	○
If I were to buy something expensive, I would worry about what others would think of me	○	○	○	○
As a whole, I may regard luxury brands/products as gifts that I buy to treat myself	○	○	○	○

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Section C: Statements.

Now let's focus on leather products, specifically a crocodile leather handbag. Even if you have no intention of buying a crocodile leather product, please imagine that you someday might and answer the following questions:

How important would the following information be for you when you have to decide which crocodile leather handbag to purchase?

Please indicate the level of importance for the following statements:

	Of no importance	Somewhat important	Moderately important	Important	Extremely important
The farm the skin originates from	O	O	O	O	O
The country the skin originates from	O	O	O	O	O
The food that the animal was fed	O	O	O	O	O
The chemicals used during the tanning process	O	O	O	O	O
The country where the handbag was manufactured	O	O	O	O	O
The	O	O	O	O	O

of the brand					
Materials that enclosures and finishes were manufactured of (e.g. real diamonds, silk, gold).	O	O	O	O	O
The brand's stance on child labour	O	O	O	O	O

(End of Page 6)

Section D: Statements. **Please indicate in each case, your intention to buy at some point or another an affordable, exotic, crocodile leather accessory:**

I will...

	Never	Maybe	Not sure	Probably	Definitely
At some point buy an exotic crocodile leather accessory	O	O	O	O	O
At some point have the intention to buy an exotic crocodile leather accessory	O	O	O	O	O
At some point have a purchase interest for an exotic crocodile leather accessory	O	O	O	O	O

(End of Page 7)

Section E. **Please indicate the degree of knowledge you have with regards to crocodile leather by selecting one of the options below:**

- ○ A great deal
- ○ Quite a lot
- ○ A little
- ○ Hardly anything
- ○ Nothing

(End of Page 8)

Section F. **Please answer the following questions as best as you can by selecting an option below:**

	True	Not sure	False
South Africa is known for its crocodile leather	O	O	O
Crocodile leather should regularly be conditioned	O	O	O
Country-of-origin is the most important indicator of the quality of crocodile leather products	O	O	O
A semi-gloss crocodile skin handbag is less durable than a high-gloss bag	O	O	O
Finished crocodile leather products are only	O	O	O

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imported to South Africa			
Beeswax will harm crocodile leather products	O	O	O
Crocodile leather should never be cleaned with a damp cloth	O	O	O
No stitched joints on a crocodile skin briefcase is an indicator of high-quality genuine crocodile leather	O	O	O
The natural crocodile design on genuine crocodile leather is more regular than on stamped leather	O	O	O
Brand name is	O	O	O

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the only
indicator
of
genuine
crocodile
leather

(End of Page 9)

Section G. **Please indicate the level of importance of each of the following statements, that could play a role in your decision to buy or not to buy a specific exotic crocodile leather handbag:**

	Of no importance	Somewhat important	Moderately important	Important	Extremely important
That the country-of-origin be given	O	O	O	O	O
That the country-of origin is an Eastern country	O	O	O	O	O
That the country of origin is a Western country	O	O	O	O	O
That the handbag was made in South Africa	O	O	O	O	O
That the handbag was imported	O	O	O	O	O
That the handbag was made in a Western country	O	O	O	O	O
That the handbag was made in an	O	O	O	O	O

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Eastern
country

(End of Page 10)

21.
What is the maximum amount that you are willing to spend on:

An authentic/genuine crocodile leather handbag? _____

An authentic/genuine crocodile leather purse? _____

(End of Page 11)

Demographics

You're almost at the end. Please do not skip this section, our researchers live for statistical titbits and this information is very important for the analysis of this study.

Demographics are used for statistical purposes only, under no circumstances will your personal details be shared with any third party.

Please complete / confirm your demographics below.

17. **Are you a South African Citizen?**

○ Yes
○ No

Age category. **Which age category applies to you?**

Please select the option that contains your current age.

○ < 18 Years Old
○ Between 18 Years and 25 Years Old
○ Between 26 Years and 35 Years Old
○ Between 36 Years and 45 Years Old
○ Between 46 Years and 55 Years Old
○ Between 56 Years and 65 Years Old
○ > 65 Years Old

Please specify your ethnicity. **Please specify your ethnicity:**

○ African
○ Asian
○ Coloured
○ Indian
○ White
○ Other
○ Prefer not to say

Monthly househould income. **Please specify your monthly household income before deductions:**

○ R1 - R1000
○ R1001 - R2500
○ R2501 - R4000
○ R4001 - R6000
○ R6001 - R8000
○ R8001 - R11000
○ R11001 - R16000
○ R16001 - R25000
○ R25001 - R40000
○ R40001 - R60000
○ R60001 - R100000
○ R100001 and more
○ Prefer not to answer

(End of Page 12)

SECTION A

1. What is your age?...years

2. Are you a South African Citizen   Yes   No

3. According to the employment equity act, how would you classify yourself? Please indicate with a **X**

   Black

   White

   Coloured

   Indian

   Other

4. What is your family's **monthly household** income **before** deductions?

   Between R50,000 – R75,000

   Between R75,000 – R100,000

   More than R100,000

5. What is the maximum amount that you are willing to spend on

   - An authentic/genuine crocodile leather handbag?   R…….

   - An authentic/genuine crocodile leather purse?   R…….

6. Where do you mostly seek information about the newest fashions in accessories? You may choose more than one. Please mark with a **X**

   - Fashion magazines (Elle, Harper, etc.)

   - Internet

   - Social media (face book, twitter, etc.)

   - In-store displays

   - Friends

   - Other (please specify)

7. How often do you travel overseas?

   - Never

   - Seldom

   - Once a year

   - Twice a year

   - More than twice a year

   -

SECTION B

Please answer all the questions by marking **X** in the block of your choice. Please note that there are no right or wrong answers. We are just interested in your honest answer. Please think carefully and indicate with **X** your level of agreement with each of the following statements.

Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
It is important that others have a high opinion of how I dress and look					
Few people own a true luxury product					
I view luxury brand/product purchases as gifts for myself to celebrate something that I do and feel excited about					
The superior product quality is my major reason for buying a luxury brand/product					
I place emphasis on quality assurance over prestige when considering the purchase of a luxury brand/product					
I derive self-satisfaction form buying luxury products					
Purchasing luxury clothing makes me feel good					
To me, my friends' perceptions of different luxury brands or products are important					
I pay attention to what types of people buy certain luxury brands or products					
Truly luxury products cannot be mass-produced					
I am inclined to evaluate the substantive attributes and performance of a luxury product rather than listening to the opinions of others					
Wearing luxury clothing gives me a lot of pleasure					
When I am in a bad mood, I may buy luxury brands/products as gifts for myself to alleviate my emotional burden					
I like to know what luxury brand and product make good impressions on others					
It is important to know what others think of people who use certain luxury brands or products					
A luxury product cannot be sold in supermarkets					
A luxury brand/product that is preferred by many people but that does not meet my quality standards will never enter into my purchase consideration					
I view luxury brand/product purchases as gifts for myself to celebrate an occasion that I believe is significant to me					
I am interested in determining what luxury brands/products I should buy to make good impressions on others					
Luxury products are inevitably very expensive					
If I were to buy something expensive, I would worry about what others would think of me					
As a whole, I may regard luxury brands/products as gifts that I buy to treat myself					

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SECTION C

How important would the following information be for you when you have to decide which crocodile leather handbag to purchase (Even if you now have no intention to buy a crocodile leather handbag)?

Please mark with an 'X' in the appropriate box.

	Information regarding the………	Of no importance	Somewhat important	Moderately important	Important	Extremely important
1	the farm the skin originates from.					
2	the country the skin originates from.					
3	food that the animal was fed					
4	chemicals used during the tanning process.					
5	the country where the handbag was manufactured.					
6	the circumstances under which the animal was farmed					
7	how the animal was killed					
8	the brand name of the handbag					
9	the circumstances under which the handbag was manufactured					
10	the country where the brand originates from (country-of-origin)					
11	the brand's stance on environmental issues.					
12	the brands' stance on animal cruelty.					
13	environmental policy of the brand					
14	social development policy of the brand					
15	conservation policy of the brand					
16	materials that enclosures and finishes were manufactured of (e.g. real diamonds, silk, gold).					

SECTION D

Please indicate your intention with regard to the following statements by marking **X** in the appropriate box.

1. I will

Never		May be		Not sure		Probably		Definitely	

at some point buy an exotic crocodile leather accessory.

2. I will

Never		May be		Not sure		Probably		Definitely	

At some point have the intention to buy an exotic crocodile leather accessory.

3. I will

Never		May be		Not sure		Probably		Definitely	

at some point have a purchase interest for an exotic crocodile leather accessory.

SECTION E

Which of the following statements best describes your knowledge of crocodile leather? Please indicate just one by marking **X** in the appropriate box.

I know a great deal about crocodile leather	
I know quite a lot about crocodile leather	
I know a little about crocodile leather	
I know hardly anything about crocodile leather	
I know nothing about crocodile leather	

SECTION F

Please answer the following questions as best as you can by marking **X** in the box of your choice.

Statement	True	Not sure	False
South Africa is known for its crocodile leather			
Crocodile leather should regularly be conditioned			
Country-of-origin is the most important indicator of the quality of crocodile leather products			
A semi-gloss crocodile skin handbag is less durable than a high-gloss bag			
Finished crocodile leather products are only imported to South Africa			
Beeswax will harm crocodile leather products			
Crocodile leather should never be cleaned with a damp cloth			
No stitched joints on a crocodile skin briefcase is an indicator of high-quality genuine crocodile leather			
The natural crocodile design on genuine crocodile leather is more regular than on stamped leather			

	Brand name is the only indicator of genuine crocodile leather				

SECTION G

Please indicate the level of importance of each of the following that could play a role in your decision to buy or not to buy a specific exotic crocodile leather handbag. Please mark with **X** in the box of your choice.

		Of no importance	Somewhat important	Moderately important	Important	Extremely important
1	That the country-of-origin be given					
2	That the country-of origin is an Eastern country					
3	That the country of origin is a Western country					
4	That the handbag was made in South Africa					
5	That the handbag was imported					
6	That the handbag was made in a Western country					
7	That the handbag was made in an Eastern country					

ADDENDUM B: PLAGIARISM DECLARATION

FORM A

UNIVERSITY OF PRETORIA

FACULTY OF NATURAL AND AGRICULTURAL SCIENCE

DEPARTMENT OF CONSUMER SCIENCE

The Department of Consumer Science places specific emphasis on integrity and ethical behaviour with regard to the preparation of all written work to be submitted for academic evaluation.

Although academic personnel will provide you with information regarding reference techniques as well as ways to avoid plagiarism, you also have a responsibility to fulfil in this regard. Should you at any time feel unsure about the requirements, you must consult the lecturer concerned before you submit any written work.

You are guilty of plagiarism when you extract information from a book, article or web page without acknowledging the source and pretend that it is your own work. In truth, you are stealing someone else's property. This does not only apply to cases where you quote verbatim, but also when you present someone else's work in a somewhat amended format (paraphrase), or even when you use someone else's deliberation without the necessary acknowledgement. You are not allowed to use another student's previous work. You are furthermore not allowed to let anyone copy or use your work with the intention of presenting it as his/her own.

Students who are guilty of plagiarism will forfeit all credit for the work concerned. In addition, the matter can also be referred to the Committee for Discipline (Students) for a ruling to be made. Plagiarism is considered a serious violation of the University's regulations and may lead to suspension from the University.

For the period that you are a student at the Department of consumer science, the declaration below must accompany all written work to be submitted. No written work will be accepted unless the declaration has been completed and attached.

I (full names)   Hanri Chambers
Student number   11013410
Subject of the work   The role of knowledge and importance of country-of-origin information in female consumer's purchase intent of exotic crocodile leather accessories

Declaration

1. I understand what plagiarism entails and am aware of the University's policy in this regard.
2. I declare that this Dissertation (e.g. essay, report, project, assignment, dissertation, thesis etc) is my own, original work. Where someone else's work was used (whether from a printed source, the internet or any other source) due acknowledgement was given and reference was made according to departmental requirements.
3. I did not make use of another student's previous work and submitted it as my own.
4. I did not allow and will not allow anyone to copy my work with the intention of presenting it as his or her own work.

Signature _____