Sunday Times/KANTAR Retail Awards 2019
Methodology

Overview of the Retail study

2019 brings the twelfth successful year in partnership with Kantar South Africa for the Sunday Times Retail Awards. Once again this year the Retail Awards is a standalone Retail study due to extended questionnaire length to accommodate more in depth attribute analysis in all the retail categories.

All categories were asked of respondents in both metro and non-metro areas to obtain a national read of all categories and retailers.

The approach looks at a retailer's penetration in the marketplace whilst also examining its relative strength amongst its users and its relative attraction amongst non-users – the concept of *relative advantage*. This was accomplished by asking three questions:

1. Retailer used within a defined time period (this period differed for each category)
2. Retailers with which people were familiar enough to rate on a 10-point scale
3. The actual rating of all those retailers on a 10-point scale

From this, an index score for each retailer is generated from three variables derived from the questions above: the actual usage of a retailer in a specified time period, the rating it receives from its users relative to others in the category, and the rating it receives from those non-users aware of it, also relative to competitors in the category. The non-user rating carries only half the weight of the user rating in the final algorithm.

The final index can be thought of as the retailer's standing in both the market place and in people's heads. This is in line with the current thinking that brand equity is a function of both Power in the Mind and Power in the Market, coupled with the view that one must always take the attraction of competitors into account in any assessment of brand equity.

How a retailer can win

A winner occurs in one of three situations:
1. If it is big AND rated above average by both its users and its non-users.
2. If it is truly big but perhaps only rated as average by its users and non-users.
3. It is smaller but very well loved by its users and is strongly aspired to by its non-users.

Why is this approach more useful?

Most retailers have a good sense of their relative size – publicising this is good for the ego but not much else. The approach adopted by Kantar allows more useful marketing insights to be gained: a brand can assess by how much more – or less – its users rate it compared with average – a heads-up for some, as well as an indication of the relative commitment people have to a brand. Similarly, by looking at the non-user ratings, some idea of a brand's relative "pull" amongst its non-users is gained – this is a good indication of its relative ability to attract new users. Comparing usership and these two ratings' data tells marketers much about their relative power in the mind vs their power in the market.

The algorithm is not proprietary to either The Times, Sowetan or to Kantar SA, but is in the public domain.

The sample represents all South African adults

The total sample is 2758, 2006 interviews in the metropolitan areas and 752 interviews in non-metropolitan areas of South Africa.

We talked to adults aged 18 years and the final results have been weighted to represent the population according to StatsSA 2018 mid-year population estimates. The study is representative of all adults across the country and is a relatively large sample in consumer research terms. Interviews were conducted in home, face to face.

The algorithm in more detail

The algorithm is explained below via a worked example, along with the actual mathematical formulae.
The table below has five columns: usership, ratings amongst users and non-users and the extent to which these ratings differ from average. So, Retailer B has a usership of 13%. These users rate it 8.80 out of ten, which is 0.28 higher than the average for all user ratings. Non-users rate it 5.59, which is below the average for non-user ratings by 0.10.

Retailer	Usership in last x weeks	Rating amongst users	Ratings amongst aware non-users	User rating - average	Non-user rating - average
B	13%	8.80	5.59	0.28	-0.10
A	9%	8.68	6.03	0.16	0.34
C	11%	8.63	5.67	0.11	-0.02
H	11%	8.50	5.87	-0.02	0.18
...					
L	7%	8.26	5.49	-0.26	-0.20
Weighted average		8.52	5.69		

The algorithm first calculates Power in the Mind by taking a third of the sum of 0.28 plus a half of -0.10. It then adds usership to this to get a score. The third and the half are scaling factors to give Power in the Mind approximately the same weight as usership (this varies slightly by category depending on the actual results). This score is multiplied by 40 and 50 is added so that the scores fall between 0 and 100.

Writing this out mathematically, we first define terms:
Let:

u_i = usage of retailer i
e_i = rating amongst users of retailer i, the retailer *experience*
a_i = rating amongst aware non-users, the retailer's *attraction*
$\bar{e}$ = weighted average of all user ratings
$\bar{a}$ = weighted average of all non-user ratings (amongst those aware)
k_i = awareness amongst non-users of retailer i, *knowledge*

Then:

$$\bar{e} = \Sigma u_i\, e_i / \Sigma u_i$$

$$\bar{a} = \Sigma k_i a_i / \Sigma a_i$$

The relative retailer experience for retailer i, r_{ei}, is given by:

$$r_{ei} = e_i - \bar{e} = e_i - \Sigma u_i e_i / \Sigma u_i$$

The relative retailer attraction for retailer i, r_{ai}, is given by:

$$r_{ai} = a_i - \bar{a} = a_i - \Sigma k_i a_i / \Sigma a_i$$

Power in the Mind for retailer i, m_i, is given by:

$$m_i = \tfrac{1}{3}\,[r_{ei} + \tfrac{1}{2}r_{ai}]$$

The Retail Awards/Retailers Index, t_i, for retailer i is then:

$$t_i = 40\{u_i + m_i\} + 50$$

$$= 40\{u_i + \tfrac{1}{3}[r_{ei} + \tfrac{1}{2}r_{ai}]\} + 50$$

$$= 40\{u_i + \tfrac{1}{3}[e_i - \Sigma u_i e_i / \Sigma u_i + \tfrac{1}{2}(a_i - \Sigma k_i a_i / \Sigma a_i)]\} + 50$$