CONSUMER'S ATTITUDES TOWARDS PRIVATE LABEL BRANDS IN COIMBATORE CITY

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Abstract: The goal of the paper is to give the essence of private labeling, its pros and cons, and the consumer attitude towards private labeling. Private labeling in the past decade had been a growing trend in the business environment. The retail scene is facing a change in the increase of private-label brands in the apparel segment. Many of the retailers are increasing the percentage of private label brands in their product portfolio as store brands which enhance the store image. It is gaining importance in various retail stores across the country. The consumers too are preferring private label brands because of relatively low prices compared to national brands. This study is based on the information from the respondent about their perception and behaviour on private label and it help us to know how people carry their attitude and intention towards private label food goods.

Keywords: **private labels, supermarkets, Consumer attitude, retail trade.**

INTRODUCTION:

A private label product is manufactured by a contract or third-party manufacturer and sold under a retailer's brand name. Retailer specify everything about the product, what goes in it, how it's packaged, what the label looks like, and pay to have it produced and delivered to the store. This is in contrast to buying products from other companies with their brand names on them.

Private label products are those manufactured by one company for sale under another company's brand. Private-label goods are available in a wide range of industries from food to cosmetics. Private label brands managed solely by a retailer for sale in a specific chain of stores are called store brands. They are often positioned as lower-cost alternatives to regional, national or international brands, although recently some private label brands have been positioned as "premium" brands to compete with existing "name" brands. Such brands are generally less expensive than national brands, as the retailer can optimize the production to suit consumer demand and reduce advertising costs.Goods sold under a private label are subject to the same regulatory oversight as goods sold under a national brand. Consumer demand for such brands might be related to individual characteristics such as demographics and socioeconomic variables.

THE EVOLUTION OF PRIVATE LABEL:

Private Label Products are not new to the retail scene. The great Atlantic & Pacific Tea Company (A&P) was partially built upon its freshly ground (in-store) 8 O'clock Coffee in the early 1900s. The growth of Sears-Roebuck was in part driven by a strategy of purchasing and developing its brands (Craftsman, Kenmore, etc.) which remain key American brand institutions. In Europe, Migros, Aldi, and Tesco all built successful retail empires based solely on the development and proliferation of their brands.

NEED OF PRIVATE LABELS

Third-party manufacturers work at the retailer's direction, offering complete control over product ingredients and quality. Retailers can also determine product cost and profitable pricing. Smaller retailers can move quickly to get a private label product in production in response to rising market demand for a new feature, while larger companies might not be interested in a niche product. Private label products bear the brand name and packaging design created by the retailer. Because of control over production costs and pricing, retailers can control the level of profitability.

OBJECTIVE OF THE STUDY

- The Primary objective is to Identify the consumers' attitude towards private label food products with special reference to the Manchester of south India
- To identify the relationship between the age of the consumers and their attitude in acquiring private label products.

REVIEW OF LITERATURE

Udhaya Selvaraj (2015), has conducted a study about the researcher examinee the factors influencing customers to purchase private labels and how they perceive those brands from various retail outlets in Coimbatore city. This study found that, majority of the consumers are aware of the store brands through friends and relatives and they satisfied with private label products availability.

Deepali and Ramchandra (2017) empirically studied consumer attitude towards private lables in comparison to nation brands. One of the objectives was to study the unfair practices adopted to attract customers towards private label products. The study reveal that, majority respondents prefer both national and private labels as compared to individual specific brand, but has changed demographic pofile.

Deepesh, Mahendra (2017) investigated a study on the impact of brand related attitudes on consumers purchase intension towards private label brands, the objective that has been observed that there is a great growth of the market share of PLB in developed countries. The respondents were collected by using the primary data, the findings states that the study carried at some reputed stores of Ahmedabad like Pantaloons and Westside between brands related factors and their impact on consumers purchase intention.

Rakesh Kumar, SK Kaushal (2017), has made a study on the factors affecting consumers attitude and purchase intention with special reference to electronic durable goods. The objective of the present study is to identify the explore the main factors that influence and determine consumer attitude. The data was collected using structural questionnaire with a sample of 514 respondents living in urban and semi-urban areas was selected from 8 different cities, the findings of the reviles that perceived price, quality, risk and brand image, were found to have a significant influence on attitude or purchase intention.

Jose Luis Real, Juan (2018), has made a study on betting exclusively by private labels. The analysis are the relationship between different consumer attitudinal variables related to consumers perception of the store. The objective used to identify the casual relationship are established using structural equations. The methodology used an experiment based on an online survey to test the hypothesis formulated. The findings state that the image of store that only offers their own brand is mainly configured by price consciousness and the attitude towards the private label.

RESEARCH METHODOLOGY

Research Methodology is a systematic way to solve the research problem; it is how research is done systematically. It consists of different steps that are generally adopted by the researcher to study the research problem along with logic behind them. It is necessary for the develop certain steps.The research design used in the study is descriptive research. Both Primary and Secondary data have been used for the study. Primary data have been collected using a structured questioner with 20 questions and secondary data been obtained from journals, magazines, articles and websites. The Sampling technique used for the study is convenience sampling. The researcher on conveniences basis selected 150 respondents for the study and the questionnaire was administered to these people. The study was undertaken in the Manchester of South India - Coimbatore City. The sample size is selected for the study is 150.The Statistical tool used to analyse the data is

- Percentage Analysis
- Descriptive Analysis
- Anova Test

ANALYSIS AND INTERPRETATION

4.1 SIMPLE PERCENTAGE

DEMOGRAPHIC VARIABLES OF THE RESPONDENTS

GENDER OF THE RESPONDENTS		
GENDER	**NO. OF RESPONDENTS**	**PERCENTAGE**
MALE	93	62.0
FEMALE	57	38.0
TOTAL	**150**	**100**
AGE OF THE RESPONDENTS		
18 – 24 years	64	42.7
25 – 30 years	47	31.3
31 – 40 years	24	16
41 – 50 years	10	6.7
50 and above	5	3.3
TOTAL	**150**	**100**
EDUCATIONAL BACKGROUND OF THE RESPONDENTS		
Primary	1	0.7
Secondary	9	6
Degree	83	55.3
Masters	48	32
PhD	9	6
TOTAL	**150**	**100**
MONTHLY HOUSEHOLD INCOME OF THE RESPONDENTS		
< 10,000	10	6.8
10,001 – 13,000	2	1.4
13,001 – 16,000	8	5.4
16,001 – 19,000	10	6.8
19,001 – 22,000	10	6.8
>22,000	108	73
TOTAL	**150**	**100**
MARITAL STATUS OF THE RESPONDENTS		
Single	84	56
Married without children	27	18
Married with children	39	26
TOTAL	150	100
FAMILY SIZE OF THE RESPONDENTS		
Alone	13	8.7
<5 persons	99	66.4
5 – 10 persons	27	18.1
>10 persons	39	6.7
TOTAL	150	100

Intrepretation:From the above table it is sobserved that out of 150 respondents, 62% of them are male, 38% of them are female. out of 150 respondents. And out of 150 respondents (42.7%) of them are between the age of 18 – 24 years, (31.3%) of them are in the age group of 25 – 30 years, (16%) are between the age of 31 – 40 years,(6.7%) are in the age category of 41 – 50 years and above 50 years are (3.3%).Out of 150 respondents that (55.3%) of the respondents carry an educational background as Degree, (32%) of them have Masters as their educational qualification, Secondary and PhD are carried as education level for (6%) each and (0.7%) of respondents have primary schooling as their qualification. out of thetotal respondents (73%) of the respondents earn above Rs: 22000/- per month, 10,000 and less, 16,001-19,000, 19,001-22,000 is earned by (6.8%) each, (5.4%) is earning between Rs:13,001-16,000 and (1.4%) is with Rs:10,001-13,000 per month.Out of 150 respondents that (56%) of the respondents are single, then (26%) of them are married with children and (18%) of them are married without children. out of 150 respondents that, (66.4%) of respondents family size is less than 5 persons, some respondents are 5 – 10 persons in a family, (8.7%) are alone and (6.7%) of respondent's family size is more than 10 persons.

4.2DESCRIPTIVE ANALYSIS

ATTITUDES TOWARDS PRIVATE LABEL

PARTICULARS	NUMBER OF RESPONDENTS	MEAN	STD. DEVIATION
I think private label food products are worth buying	150	3.39	.955
I feel the sense of belonging when purchasing the same brands that others purchase.	150	3.43	.992
It is usually worth time and effort to find lower prices if I can save money.	150	3.12	1.023
I compare the prices of a couple of product before I choose.	150	3.42	1.143
To what extent do you satisfy with quality of private label products?	150	3.66	.842
I do not sacrifice quality to get a lower price.	149	3.53	1.183
Private label brands are similar in quality to national (manufacturer) brands.	148	3.31	.895
I am not familiar with private label food products, so I prefer to buy other brands that I feel more familiar with.	150	3.15	1.132

INTERPRETATION:

The result from the above table shows the consumers attitude towards private label food products, the mean value 3.39 shows the worth of buying private label food products, the sense of belonging when purchasing the same brands that others purchase shows a mean value of 3.43, the mean value 3.12 implies the usually worth time and effort to find lower prices if one can save money, to compare the prices of a couple of products before one choose to buy shows a mean value of 3.42, the mean value 3.66 implies the extent of satisfaction with the quality of private label products, the mean value 3.53 implies who do not sacrifice the quality to get a lower price, the mean value 3.31 of private label brands which are similar in quality to national (manufacturer) brands, the mean value 3.15 implies who are not familiar with private label food products, so one prefer to buy other brands that they feel more familiar with.

The highest mean value of 3.66 implies the extent of satisfaction with the quality of private label products.

RELATIONSHIP BETWEEN AGE AND CONSUMERS ATTITUDE

Particulars	Types of commodity	Sum of Squares	df	Mean Square	F	Sig.
I think private label food products are worth buying	Between Groups	6.065	4	1.516	1.695	.154
	Within Groups	129.729	145	.895		
	Total	135.793	149			
I feel the sense of belonging when purchasing the same brands that others purchase	Between Groups	9.086	4	2.272	2.394	.053
	Within Groups	137.607	145	.949		
	Total	146.693	149			
It is usually worth time and effort to find lower prices if I can save money	Between Groups	7.769	4	1.942	1.902	.113
	Within Groups	148.071	145	1.021		
	Total	155.840	149			
I compare the prices of a couple of product before I choose	Between Groups	7.233	4	1.808	1.400	.237
	Within Groups	187.307	145	1.292		
	Total	194.540	149			
To what extent do you satisfy with quality of private label products?	Between Groups	.223	4	.056	.077	.989
	Within Groups	105.437	145	.727		
	Total	105.660	149			
I do not sacrifice quality to get a lower price.	Between Groups	5.114	4	1.279	.911	.459
	Within Groups	202.000	144	1.403		

	Total	207.114	148			
Private label brands are similar in quality to national (manufacturer) brands.	Between Groups	3.829	4	.957	1.202	.313
	Within Groups	113.874	143	.796		
	Total	117.703	147			
I am not familiar with private label food products, so I prefer to buy other brands that I feel more familiar with.	Between Groups	4.322	4	1.081	.840	.502
	Within Groups	186.451	145	1.286		
	Total	190.773	149			

Significance @ 5%

NULL HYPOTHESIS

There is no significant relationship between the monthly household income and consumers purchase intention towards private label food products.

ALTERNATIVE HYPOTHESIS

There is no significant relationship between the monthly household income and consumers purchase intention towards private label food products.

INTERPRETATION:

In the above table row (a) the f value 1.695 and the significance value is 0.154 it is more than the acceptable value of 0.005, so null hypothesis is accepted and the alternative hypothesis is rejected. Thus, it can be concluded that there is no significant relationship between the age and the private label food products are worth buying. In the above table row (b) the f value 2.394 and the significance value is 0.053 it is more than the acceptable value of 0.005, so null hypothesis is accepted and the alternative hypothesis is rejected. Thus, it can be concluded that there is no significant relationship between the age and the sense of belonging when purchasing the same brands that others purchase.In the above table row (c) the f value 1.902 and the significance value is 0.113 it is more than the acceptable value of 0.005, so null hypothesis is accepted and the alternative hypothesis is rejected. Thus, it can be concluded that there is no significant relationship between the age and the usually worth time and effort to find lower prices if I can save money.In the above table row (d) the f value 1.400 and the significance value is 0.237 it is more than the acceptable value of 0.005, so null hypothesis is accepted and the alternative hypothesis is rejected. Thus, it can be concluded that there is no significant relationship between the age and to compare the prices of a couple of product before I choose.In the above table row (e) the f value 0.077 and the significance value is 0.989 it is more than the acceptable value of 0.005, so null hypothesis is accepted and the alternative hypothesis is rejected. Thus, it can be concluded that there is no significant relationship between the age and the extent do you satisfy with quality of private label products.

In the above table row (f) the f value 0.911 and the significance value is 0.459 it is more than the acceptable value of 0.005, so null hypothesis is accepted and the alternative hypothesis is rejected. Thus, it can be concluded that there is no significant relationship between the age and the feel that they do not sacrifice quality to get a lower price.In the above table row (g) the f value 1.202 and the significance value is 0.313 it is more than the acceptable value of 0.005, so null hypothesis is accepted and the alternative hypothesis is rejected. Thus, it can be concluded that there is no significant relationship between the age and private label brands are similar in quality to national (manufacturer) brands.In the above table row (h) the f value 0.840 and the significance value is 0.502 it is more than the acceptable value of 0.005, so null hypothesis is accepted and the alternative hypothesis is rejected. Thus, it can be concluded that there is no significant relationship between the age and familiar with private label food products, so I prefer to buy other brands that I feel more familiar with.

5.1 FINDINGS

PERCENTAGE ANALYSIS

- Majority of the respondents are (62%) male and they are under the category of 18 – 24 yearsof age group.
- Many of the respondents carry degree as their educational qualification so theyare earning Rs. 25,000 and more in a month.
- Most of the respondents are single and their family sizes are 5 persons below.

DESCRIPTIVE ANALYSIS

- The highest mean value of (3.66) implies the extent of satisfaction with the quality of private label products and the lowest value (3.12) tells that it is usually worth time and effort to find lower prices if they can save money.

ANOVA TEST

- There is no significant relationship exisiting between the age and consumers attitude.
- There is no significant relationship found between purchase intention and monthly income.

5.2 SUGGESTONS

- The customers are to be given better awareness about the fact that buying private label products provides benefits related to price, packaging and taste.
- Retailers should consider any activity, which helps in increasing trust towards private label products.
- Promotions can be made for the store products to meet more customers.
- Consumer attitude modification strategy can be adopted by stores in order for the private label products to be fully accepted in the Coimbatore region market when there is consumer negative attitude to the store.
- To gain control of the consumer market, stores may prioritize the development of private labels of their products.

CONCLUSION

The present study carried out has been a rewarding experience in the sense that it has assessed the attitude of the consumers on the private branding impact on their purchase intention . The contribution of the retail industry is highly significant in the people living standards and development of the economy of any nation. In the case of developing countries and most populated countries like India, retailing forms an integral and dominant part of the marketing system. With the increasing pressure of foreign companies and big corporate companies' entries and trends towards retailing system, the retailing industry is facing many changes in its nature and the roles of various players in this industry. All these changes will definitely have their implications on the marketing strategies in this industry. Effective marketing strategies like private brand is considered a key to the sustainability of all business successes, and the private branding is key factor for effective and attractive marketing management and there by success, innovation, and profitability of the concern.

Basically retailers are last part of supply chain process of marketing process of any organizations. In order to ensure their survival in the highly competitive retailing environment, they have to ensure that they are providing a unique and superior quality of product to their customers. The rendering of quality product from national brand as like other competitors may bring question mark for retailer about their survival. In order to secure the positive situation, it becomes the ultimate task of the retailers to bring private brand which is differentiating form others. As the style of products, risk, value and price of products offered by the retailers differ from the remaining categories of retailers; there is a need to create a suitable private branding strategy for ensuring the attracting and retaining the consumers. It is hoped that researches of this type and the suggestions offered through them will be very much useful to the marketing managers of the retailing companies and it will pave the way for the management of the retailers to frame, establish and maintain a constructive private branding strategy in the Manchester of South India.

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