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## CONSUMER AWARENESS AND PREFERENCE ON PRIVATE LABEL BRAND

### Article Particulars

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### Abstract

*The private label brands had seen a striking in recent days. Though, initially private label brands had a low-cost strategy, retailers have taken serious efforts quality improvements in recent years. The paper examines how retailer can manipulate the customers for private label brands by providing additional features in their product. The research method used the convenient sampling method. Under this study a survey is conducted with the customer's in around the pollachi taluk for their awareness and preference on private label brand. Samples of 239 respondents were considered for the study. The study has been undertaken for one year [November 2016-November 2017]. The data collected through issuing questionnaire. The present study shows that consumer awareness and preference on private label brand.*

**Keywords:** *Private label brands, Preference, Awareness.*

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### Introduction

*In the earlier of human history, the problems of human beings revolved around the question of survival and later periods of human people, perhaps for centuries, human beings were mostly concerned about taking care of their primary need-foods, shelter and security. Marketing plays a major role in our daily lives. Each day is filled with consuming products made offered by marketers. Marketing is responsible for satisfying customers, which in turn, increases our standard of living and quality of life. Marketing is exchange or transaction, intended to satisfy human needs or wants. That is, marketing is a human activity directed at satisfying needs and wants, through an exchange process.*

**Definition:** "Market includes both place and region in which buyers and sellers are in free competition with one another"- G.F.Pyle

## Private Label Brand Meaning

**Private label** products or services are usually those manufactured or provided by one company for offer under another company's brand with the appearance of strong retailers, private label brands, also called own brands, or store brands; also emerge as a major factor in the marketplace. Where the retailer has a mainly strong identity, this "own brand" may be able to compete next to the strongest brand leaders, and may outperform those products that are not otherwise strongly branded.

Private label goods and services are offered in a wide range of industries from food to cosmetic to web hosting. They are frequently positioned as a lower cost alternative to regional, national or international brands, although newly some private label brands have been placed as "premium" brand to compete with existing "name" brands.

## Statement of Problem

The chosen problem is to identify the consumer awareness and preference on private label brand. The customers have certain expectation from branded items of its quality, price and value. Technology has been changing rapidly so consumer's taste and preference were changing fast. Their needs and preference can be changing as per current scenario.

However the following questions may arise regarding customer perception and satisfaction.

1. What is the reason for preferring private label brand?
2. What is the level of awareness of consumer towards private label brand?

The present study aims to find out the answers for the above mentioned questions.

## Objectives of the Study

The following are the objectives:

- To know the socio-economic profile of the respondents
- To identify the factors influencing the consumers awareness
- To analyze the preference towards private label brand.

## Methodology

### Source of Data

The present study is based on both primary and secondary data. The primary data is collected with the help of questionnaire. The secondary data is collected from the publications, websites, journals, articles etc,

### Sampling

The study is concerned with customers of private label brand. Of the total 250 questionnaires and collected and 239 questionnaires are taken for analysis because of incomplete found in eleven questionnaires. Convenient sampling method is adopted to select the sample users.

## Framework of Analysis

The present study aims to know about the level of consumer perception and satisfaction on private label brand. The data collected from the respondents have been analyzed using Simple Percentage, Weighted Average Ranking Method.

## Period of Study

The period of study covers one year.

## Review of Literature

**Shankar (2016)**, in his study entitled, "An empirical study on customer awareness, preference and satisfaction on private label with special reference to 'Reliance select' Coimbatore" with the main objective to analyse the customer awareness and preference of Reliance select products. A sample size consist of 300 respondents are selected at random by using convenient sampling method. The research is based upon both primary and secondary data. Primary data is collected from questionnaire and secondary data collected from books, periodicals, journals, newspapers and internet. The tools used in the study are simple percentage analysis, chi-square test, factor analysis, ANOVA, and Garrett ranking test. The study concluded that Reliance select satisfies the customers according to their taste and preference.

**Thakkar and Anjali panighar (2016)**, made a study on "Consumer attitude new trends and direction in private label brand with comparison with national brand". The objective of the study is to analyze the consumer awareness and preference towards private label brand. A research study is based both upon primary and secondary data. A total sample size 270 respondents were selected for the study by using convenience sampling technique method. The study finds that most of the respondents prefer private label brands because PLB is a good alternative to a national brand.

**Rekha and Kanagaraj (2015)**, made a study on "Consumer awareness about private label brand apparels in Coimbatore city". The main objective is to analyze the consumer's awareness about private label brand apparels. Primary data were collected through questionnaire. The total sample size 350 respondents were selected for the study by using convenience sampling method. The tools were used simple percentage, chi- square test. The study reveals that consumers are aware about private label brands for years.

**Pragya Jaroliya (2014)**, carried out a study entitled, on assessing consumer preference towards private label brands and there in store extrinsic cues. The objective of the study was to find out the variables which influence the purchase decisions. The sample size is 179. Respondents were selected for the study by using convenient random sampling method. Data collected has been analyzed using ANOVA, z-test and chi-square test. The study concludes that age, income, are the factors that are influenced a lot while purchasing private label brands of the consumers.

**Dineshkumar and Vikkraman (2012)**, have made on “Customer preference for private label brands with reference to organized retail stores in Coimbatore city” with the objective to identify the factors that lead to the preference for private label brands. The primary data were collected through questionnaire by using convenience sampling method. A sample size consists of 200 respondents through issue of questionnaire. The tools like simple percentage, chi-square method, and weighted average rank are used to analysis the data. The study finds that private label brand consumers are concentrate more on price than the quality.

## Results and Discussion

### Socio-Economic Profile of the Respondents

**Table 1 Socio-Economic Profile of the Respondents**

Characteristics	Number of Respondents (N=239)	Percentage
<b>Area of residence</b>		
Rural	73	30.50
Semi-urban	59	24.70
urban	107	44.80
<b>Gender</b>		
Male	76	32.00
Female	163	68.00
<b>Age</b>		
Up to 25 years	76	31.80
26 to 35 years	94	39.33
36 to 50 years	61	25.22
Above 51 years	8	3.35
<b>Marital Status</b>		
Married	147	61.50
Unmarried	92	38.50
<b>Educational Qualification</b>		
Illiterate	5	2.1
Up to SSLC	16	6.7
HSC	20	8.4
Diploma	26	10.9
Under-Graduate	88	36.8
Post-Graduate	55	23.0
Professional	29	12.1
<b>Occupation</b>		
Agriculture	21	8.79
Business	46	19.24
Private Employees	84	35.15
Government Employees	13	5.44
Student	44	18.41
Home maker	31	12.97

<b>Type of family</b>		
Joint	73	30.54
Nuclear	166	69.56
<b>Earning members in the family</b>		
One	73	30.54
Two	133	55.65
Three	31	12.97
Above three	2	0.84
<b>Non-Earning members in the family</b>		
One	36	15.06
Two	120	50.21
Three	75	31.38
Above three	8	3.35
<b>Total number of members in the family</b>		
Two	4	2.78
Three	31	21.53
Four	66	45.83
Five and above	43	29.86
<b>Monthly income</b>		
Up to RS.25,000	52	21.76
Rs.25,001 to RS.40,000	93	38.91
Rs.40,001 to RS.60,000	60	25.10
Above RS.60,0001	34	14.23

Table 1 shows that, out of 239 customers, 107(44.80%) are customers living in urban area, 163(68%) customers are female, 94(39.00%) customer's age group between 26 to 35 years, 147(61.50%) customers are married, 88(36.8%) customers are under-graduates holders, 84(12.97%) customers are Private employees, 166(69.56%) customers belong to nuclear family, 120(50.21%) customers have two earning members in their family, 120(50.21%) customers have two non- earning members in their family, 66(45.43%) customers have four members in the family,93(38.91%) customers' family income per month is Rs. 25,001 to 40,000.

### Awareness of Private Label Brand

#### Table 2 Awareness of Private Label Brand

Awareness of PLB	No. of Customers	%
Aware	125	52.30
Neutral	96	40.17
Not aware	18	7.53
<b>Total</b>	<b>239</b>	<b>100.00</b>

The table 2 shows that, out of 239 customers, 125 (52.30%) are aware about private label brand, 96(40.2%) are customers are neither aware nor not aware the private label brand and

the remaining 18 (7.53%) are customers not aware the private label brand. Thus, it is found that majority of the customers are aware.

### Sources of Awareness about Private Label Brand

The customers are classified on the basis of the source & motivation from where they came to know about the Private label brand.

**Table 3 Sources of Awareness about Private Label Brand**

Awareness	Yes	No
Family	107	132
	(44.77%)	(55.23%)
Relatives/Neighbours	157	82
	(65.69%)	(34.31%)
Friends/Colleagues	129	110
	(53.97%)	(46.03%)
Television	133	106
	(55.65%)	(44.35%)
Newspapers	96	143
	(40.17%)	(59.83%)
Pamphlets	138	101
	(57.74%)	(42.26%)
Store Promotion	134	105
	(56.07%)	(43.93%)
Social media	146	93
	(61.09%)	(38.91%)
Self	171	68
	(71.55%)	(28.45%)
Others	21	218
	(8.79%)	91.21%)

It is observed from the above table out of 239 customers, 107(44.77%) customers motivated through their family members; 157(65.69%) customers are aware by their relatives; 129(53.97%) customers are aware through their friends and colleagues; 133(55.65%) customers are aware through Television advertisement; 96(40.17%) of customers are aware by newspapers; 138(57.74%) customers are aware by Pamphlets; 134(56.07%) customers are came to know about private label brand by store promotion; 146 (61.09%) customers are aware by social media; 171(71.55%) customers are using private label brands by themselves and the remaining 21(8.79%) customers are aware by other sources like word by mouth, Posters and banner, etc...

Hence, it is found that majority 171(71.55%) of the customers are aware by themselves.

### Period of Using Private Label Brand

**Table 4 Period of Using**

Period of Using	No. of Customers	%
less than a year	70	29.29
1 to 3 years	96	40.17
4 to 5 years	66	27.61
Above 5 years	7	2.93
<b>Total</b>	<b>239</b>	<b>100.00</b>

Table 4 shows that, out of 239 customers, 70(29.29 %) of the customers are using less than a year, 96(40.17%) of the customers are using it for 1 to 3 years, 66(27.61%) of the customers are using for 4 to 5 years and seven (2.93) of the customers are using above 5 years. Hence, it is concluded that most of 96(40.17%) customers using private label brand for 1 to 3 years.

## Factors Influencing Customers Preference for Private Label Brand

**Table 5 Factors influencing Customer's Preference for Private Label Brand-Weighted Average Ranking**

Factors	1	2	3	4	5	6	7	8	9	10	Total	Weighted Average Rank
Brand image	17	9	49	17	8	15	4	91	19	10	1241	V
Availability	27	19	43	43	19	9	7	20	41	11	1383	VI
Price	28	33	37	22	32	17	16	17	20	17	938	II
Good taste	30	28	30	26	19	17	25	24	24	16	1205	III
Trust in brand	33	22	17	29	13	15	21	21	37	31	1498	VII
Attractive packaging	28	23	20	25	18	29	3	18	21	25	1554	VIII
Value for money	28	30	12	24	25	33	23	13	22	29	1631	X
High quality	15	26	8	22	42	42	32	15	17	20	893	I
Variety of products	13	31	11	17	34	34	39	9	19	32	1219	IV
Store loyalty	20	18	12	14	29	28	40	11	19	48	1583	IX

From the above table, it is observed that among the various reasons, the customers have ranked High quality as 1<sup>st</sup> rank for preferring the private label brand, followed by Price, Good taste, Variety of products, Brand image, Trust in brand, Attractive packaging, Store loyalty and Value for money.

### Freebies (offers) Given in PLB are Better than National Brand

The table below shows the classification of customers on the basis of their Freebies given in PLB is better than national brand.

**Table 6 Freebies**

Perception	No. of Customers	%
Yes	153	64.02
No	86	35.98
<b>Total</b>	<b>239</b>	<b>100.00</b>

The above table shows that, out of 239 customers, 153(64.02%) customers said that there are more variety of products available in the private label brand and 86(35.98)

customers said that there is no more variety of products available in the private label brand. Thus, the majority of the (64.00%) of customers are thinking that private label brand better than national brand

### More Variety of Products is Available in PLB Better than National Brand

The table below shows the classification of customers on the basis of the More variety of products is available in PLB is better than national brand.

**Table 7 More Variety of Products**

Variety of products	No. of Customers	%
Yes	174	72.80
No	65	27.20
<b>Total</b>	<b>239</b>	<b>100.00</b>

From the above table shows that, out of 239 customers, 174(72.80 %) of customers felt that more variety of private label brand available than

national brand and the remaining 65(27.20%) customers felt that more variety of private label brand products are not available than national brand.

Hence, it is concluded that majority of 174(72.80%) customers said that more variety of private label brand product available than national brand.

### **Suggestions**

- Most of the customers are not much aware of private label brand. Hence, retailers should create awareness about private label brand through more colorful advertisements and free gifts.
- These advertisement measures attract more number of people to buy the private label brand and this in turn would boost up volume of sales.
- Better advertisement and awareness about the quality of private label brand has to be created among the people residing in rural areas.

### **Conclusion**

Private label brand has many perceptions like price, quality, variety, stylish arrangements of products, guarantee, warranty, availability and trustworthy etc. The needs of the customers change day by day. In this context, the present study is undertaken to analyze the customers awareness and preference towards private label brands towards in Pollachi taluk. It is identified that own interest, relatives and social media are the important sources for seeking information about private label brand. It is also found that the urban customers prefer private label.

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