

**A study on Consumer Perception on Private Label Products with reference
to Coimbatore City**

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Abstract

In the excess accessibility of products and substitute products, consumers' perception towards quality, price and value are measured as essential factors of shopping habit and choice of produce. Private Label Products are possessed by the Retail Chains and National Brands are possessed by producers. National Brands are dominants in the market similarly the number of private label products and its sale is also increasing in the market. This study has used the 4Ps concept to survey the consumer perception of private label products. The main objectives of the study are to measure the level of variation in the consumer perception and to measure the consumer perception of the defendants on the various components of private label products. The study ends with the 4Ps concept which helps to increase the private brand products and the profit of the retailers. The retailers have to gather the feedback to expand the quality; it become national brand if the retailers keep focus on quality. The complete awareness of the private label products is only in average level. The retailers have to maintain the price at low level as it helps them to rise the sale. Accompanying market research may help to develop the, ideal marketing fusion and quality of the product. The retailers are specific in the sale of products. It is upright for the upcoming sales.

Key words :Consumer Perception, Marketing Mix, 4Ps, Private Label Products

Introduction

In the excess accessibility of products and alternative products, consumers' perception towards quality, price and value are considered as pivotal determinants of shopping behaviour and choice of produce (Bishop 1984, Doyle 1984, Jacoby *et al.*, 1985, Valaire A. Zeithaml 1988). There was no similar study in this area; this study will observe the consumer's perception on private label products. Private Label Products are possessed by the retail chains and National brands are possessed by manufacturers. Private label products have been defined as a global phenomenon (Herstein and Gamliel, 2004) and these brands are increasingly challenging the national brands in the market place. National brand is still leading but at the same time the number of private label products are growing and their sales is also increasing. Many researches have been showed in private label activity and growth outlines in consumer-packaged goods. (Chimhundu *et al.*, 2010).

In the global setting, wide analyses are made on the problems of well-organized management of the brand (Kelle, 2003), including the growth of private brands. Economic causes of private labelled products have been inspected and presented in many numbers of retail management books, monographs and numerous reputed journals. (Berman & Evans, JR. 2010; Levy & Weitz 2007). Many researchers were revealed interest in study of various features of Private Label products and its development. (Ailawadi & Harlam B.2004).

Now a days the retailers trying to achieve highest conceivable customer gratification with ideal investment for achieving the desired profit by developing of private labelled products which is customer desired quantity, quality and price of the goods. Today's competitive business world growth of private brand/labels is supports to expand the competitiveness and market position, has becoming a global phenomenon and the of the spirit in the success of any retailers. Because of its economic importance so many researches have been conducted from different perceptive both macro and micro level about the private brands. (Radojko Lukic, 2011). In the worldwide India's retail market is one of the biggest markets. Now it is flourishing for private label and own brand products. One study is projected the own brand and private label products will reach \$500 in the ensuing three years it double than the current position. (Justin Boutros, 2013).

Chango (2003) said marketing mix is creating from the single P (Price) of micro economic theory. Bennett (1997) stated that McCarthy presented the Marketing mix often referred to as the 4Ps. This study has used the 4Ps (Price, Product, Place and Promotion) concept to survey the consumer perception of private label products.

Objectives

The following are the objectives of the study:

- a) To draw an overview of 4Ps in the Private Label Products.
- b) To find out the variation level of respondent's awareness on Private Label Products.
- c) To analyse the respondent's perception towards the various components of Private Label Products.
- d) For improving the Private Label Products offering suggestions.
- e) To offer suggestions for improving the Private Label Products.

Need for the study

The Private Label Products are growing day by day because of the price growth of national brands. The retailers also attempt to improve the product line. The private label products are unadvertised. Under the circumstances of solid competition on the retail market, retailers frequently grow new plans and ways to doing business as a function of better market standing and, thereby, reaching the target profit with an intension to encounter the needs and demands of customers. (Radojko and Lukic, 2011). Hence, the current study has been commenced with a view to find out the customer insight on Private Label Products in Coimbatore city.

Hypothesis

In tune with the objective of the study, hypotheses were framed that there occurs no important connotation between the Consumer Perception on Private Label Products in Coimbatore City and the numerous independent variables linking to the sample respondents such as gender, age group of the respondents, education and occupation of the respondents. The gender, age group, education and occupation of the respondents do not significantly influence the consumer perception dimension at 5% significant level.

Methodology and Tools Used

The study is built on primary data and the essential data for the study were collected through the organised questionnaire from the 286 private label product consumers in Coimbatore city, who were designated as sample defendants for the current study on the basis of suitable sampling method. In order to find out the inspiration of the various self-governing variables, concerning to the sample respondents, on the consumer perception on private label products, a master table was organised, using micro soft excel and uploaded to SPSS 16 for

further examination, the quintiles were found out to fix the low, medium and high, and the P value was calculated to find out the substantial between the variables.

The respondents were separated into three categories in harmony with their age group such as young, middle and old age defendants. The respondents with the age up to 26 years were categorised as 'young age group' respondents; those between 27 and 41 years were categorised as 'middle age group' respondents, and those with the age above 41 years were categorised as 'old age group' respondents.

Extent of variation in the Perception of the Sample Respondents on the Private Label

Products in Coimbatore City

Totally 20 variables were taken and 5-point scale was used to measure the insight of the Private Label. The 20 variables were divided into four groups; 4Ps concept was used to divide the variables, so the total 20 variables come under the sub groups i.e., Price, Product, Place and Promotion. Each sub group has five variables.

The master table is arranged with the help of micro soft excel and uploaded to SPSS software for further analysis. The quartiles used to find low, medium and high.

Consumer Perception on Private Label Products

The total scores taken by the researcher and were divided into three categories i.e., high, medium and low in accordance with their perception on the Private Label Products in Coimbatore City. The total scores upto 59 were grouped as low consumer perception; the scores between 59 and 81 were grouped as medium consumer perception, and the total scores above 81 were grouped as high consumer perception.

One hundred and thirty eight respondents are male and remaining one hundred and forty eight respondents are female. Majority of the respondents are female. Majority of the male and female respondents are perceived medium level of consumer perception on private label products. The calculated chi square P value is 0.147, it is greater than 0.05 hence, the null hypothesis is accepted at 5% significant level. It concluded that gender do not significantly influence the consumer perception on private label products.

Sixty three respondents are come under the young age group, one hundred and twenty six respondents are come under middle age group and remaining ninety seven respondents are come under old age group. Majority of the all age group respondents are felt medium level of consumer perception on private label products. The calculated chi square P value is 0.005, it is less than 0.05 hence, the null hypothesis is rejected at 5% significant level. It

concluded that age group significantly influence the consumer perception on private label products.

Table 1 : Level of Consumer Perception on Private Label Products

Sl. No.	Category		Consumer Perception on Private Label Products				
			Total	Low	Medium	High	P Value
1	Gender	Male	138	23	81	34	0.147
		Female	148	29	59	60	
		Total	286	52	140	94	
2	Age	Young	63	11	29	23	0.005
		Middle	126	23	56	47	
		Old	97	18	55	24	
		Total	286	52	140	94	
3	Education	School level	55	14	24	17	0.006
		Graduate	164	20	100	44	
		Professional	67	18	16	33	
		Total	286	52	140	94	
4	Occupation	Students	38	11	15	12	0.001
		Employee	127	17	59	51	
		Employer	69	10	42	17	
		Home maker	52	14	24	14	
		Total	286	52	140	94	

Source : Survey Data

Fifty five respondents are studied school level, one hundred and sixty four respondents are graduates and remaining sixty seven respondents are professionals. Majority of the respondents felt medium level of consumer perception on private label products those are studied school level and graduates. Majority of the professionals felt low level of consumer perception on private label products. The calculated chi square P value is 0.006, it is less than 0.05 hence, the null hypothesis is rejected at 5% significant level. It concluded that education significantly influence the consumer perception on private label products.

Out of two hundred and eighty six sample respondents thirty eight respondents are students; one hundred and twenty seven respondents are employees. Sixty nine respondents are employers and remaining fifty two respondents are home makers. Majority of the respondents are employees. Majority of the respondents felt medium level of perception on private label products in all occupational groups. The calculated chi square P value is 0.001, it is less than 0.05 hence, the null hypothesis is rejected at 5% significant level. It concluded that occupation significantly influence the consumer perception on private label products.

Consumer Perception on Price of Private Label Products

The total scores of the dimension consumer perception on price of private label products, were divided into three categories i.e., high, medium and low in accordance with

their perception on price of Private Label Products in Coimbatore City. The total score upto 17 were grouped as low consumer perception on price; the scores is between 17 and 23 were grouped as medium consumer perception on price, and the total scores above 23 were grouped high consumer perception on price.

Majority of the respondents of gender have perceived that the Price of the Private Label products is medium. Majority of the male and female respondents perceived that the price of the Private label products is medium. The calculated P value of the gender is 0.005, and the value is less than the table value, so the null hypothesis is rejected at 5% level.

Thirty one young age group respondents perceived that the price of the private label products is medium, and fifty three middle age group respondents perceived that the price of the private label products is high. The gap between medium and high is very less. So the price of the private label products is comparable with the national brand products. Majority of the old age group respondents perceived that the price of the private label products is medium, the gap between low and medium and medium and high are very high. The calculated chi square P value of the age group of the respondents is 0.632, and the value is greater than the table value, so the null hypothesis is accepted at 5% level.

Table 2 : Level of Consumer Perception on Price of Private Label Products

Sl. No.	Category		Perception of price on private label products				P Value
			Total	Low	Medium	High	
1	Gender	Male	138	21	85	32	0.005
		Female	148	28	69	51	
		Total	286	49	154	83	
2	Age	Young	63	13	31	19	0.632
		Middle	126	22	51	53	
		Old	97	14	72	11	
		Total	286	49	154	83	
3	Education	School level	55	9	32	14	0.005
		Graduate	164	19	111	34	
		Professional	67	21	11	35	
		Total	286	49	154	83	
4	Occupation	Students	38	9	21	8	0.004
		Employee	127	19	85	23	
		Employer	69	11	34	24	
		Home maker	52	10	14	28	
		Total	286	49	154	83	

Source : Survey Data

Majority of the respondents those studied school level and graduate are perceived price of private label products is medium. Majority of the respondents those are

professionals are perceived price of private label products is high. The calculated chi square p value is 0.005, it is less than 0.05. Hence null hypothesis is rejected at 5% significant level.

Majority of the respondents those are students, employees and employers are perceived price of private label products is medium. Majority of the respondents those are home makers perceived price of private label products is high. The calculated chi square p value is 0.004, it is less than 0.005. hence, null hypothesis is rejected at 5% significant level.

Consumer Perception on Product of Private Label Products

The total scores of the dimension consumer perception on products of private label were divided into three categories i.e., good, fair and poor. The total scores upto 15 were grouped as poor consumer perception on product; the scores between 16 and 22 were grouped as fair consumer perception on product, and the total scores above 22 were grouped as good consumer perception on product.

Majority of the male respondents perceived that the Product quality of the Private Label Products is good. Majority of the female respondents perceived that the product of the Private Label Products is fair. The chi square calculated p value is 0.006, it is less than 0.05. hence, null hypothesis is rejected at 5% significant level.

All age group respondents perceived that the product of the Private Label Products is fair. The calculated P value of the age group is 0.241, and the value is less than 0.05, hence, the null hypothesis is accepted at 5% significant level.

Table 3 : Level of Consumer Perception on Product of Private Label Products

Sl. No.	Category		Perception on Product of Private Label products				
			Total	Poor	Fair	Good	P Value
1	Gender	Male	138	38	37	63	0.006
		Female	148	11	119	18	
		Total	286	49	156	81	
2	Age	Young	63	7	30	26	0.013
		Middle	126	29	63	34	
		Old	97	13	63	21	
		Total	286	49	156	81	
3	Education	School level	55	11	26	18	0.241
		Graduate	164	24	104	36	
		Professional	67	14	26	27	
		Total	286	49	156	81	
4	Occupation	Students	38	9	16	13	0.008
		Employee	127	19	66	42	
		Employer	69	10	45	14	
		Home maker	52	11	29	12	
		Total	286	49	156	81	

Source : Survey Data

Majority of the school level educated and graduates perceived that the products of the Private Label are fair. Majority of the professional respondents perceived that the products of Private Label are good. The calculated chi square p value is 0.241, it is greater than 0.05, hence, null hypothesis accepted at 5% significant level.

Majority of the all occupation status respondents perceived that the products of the private label are fair. The chi square calculated p value is 0.008, it is less than 0.05, hence, null hypothesis is rejected at 5% significant level.

Consumer Perception on Place of Private Label Products

The total scores consumer perception on place of private label products were divided into three categories i.e., plenty, adequate and inadequate. The total scores upto 15 were grouped as inadequate consumer perception on product; the scores between 16 and 19 were grouped as adequate consumer perception on product, and the total scores above 19 were grouped as plenty consumer perception on product.

Majority of the male and female respondents perceived that the place of the Private Label Products is adequate. The calculated chi square P value of the gender is 0.107, and the value is greater than 0.05, hence, the null hypothesis is accepted at 5% level.

Majority of the young and old age group respondents perceived that the place of the private label products is adequate. Majority of the middle age group respondents perceived that the place of the private label products is plenty. The calculated chi square P value of the age group is 0.005, and the value is less than the table value, so the null hypothesis is rejected at 5% significant level.

Table 4 : Level of Consumer Perception on Place of Private Label Products

Sl. No.	Category		Perception on Place of Private Label Products				P Value
				Inadequate	Adequate	Plenty	
1	Gender	Male	138	21	56	61	0.107
		Female	148	42	61	45	
		Total	286	63	117	106	
2	Age	Young	63	13	32	18	0.005
		Middle	126	29	42	55	
		Old	97	21	43	33	
		Total	286	63	117	106	
3	Education	School level	55	14	20	21	0.001
		Graduate	164	11	89	64	
		Professional	67	38	8	21	
		Total	286	63	117	106	
4	Occupation	Students	38	9	18	11	0.517
		Employee	127	25	45	57	

	Employer	69	14	28	27	
	Home maker	52	15	26	11	
	Total	286	63	117	106	

Source : Survey Data

Majority of the school are perceived that the place of the Private Label is adequate, majority of the graduates are perceived that the place of the private label is adequate. Majority of the professionals are perceived that the place of the private label is inadequate. The calculated chi square p value is 0.001, it is less than 0.05. Hence, null hypothesis is rejected at 5% significant level.

Majority of the students, employer and home makers are perceived that the place of the Private Label is adequate and majority of the employees are perceived that the place of the Private Label is plenty. The calculated chi square p value is 0.517, it is greater than 0.05. Hence, null hypothesis is rejected at 5% significant level.

Consumer Perception on Promotion of Private Label Products

The total scores of consumer perception on promotion of private label products were divided into three categories i.e., good, poor and fair. The total scores upto 13 were grouped as poor consumer perception on promotion; the scores between 14 and 21 were grouped as adequate consumer perception on promotion, and the total scores above 21 were grouped plenty consumer perception on promotion.

Majority of the male respondents perceived that the promotion of the Private Label products is fair. Majority of the female respondents perceived that the promotion of the Private Label products is good. The calculated chi square P value of the gender is 0.006, and the value is less than 0.05, so the null hypothesis is rejected at 5% level.

Majority of young and middle age group respondents perceived that the promotion of the private label products is fair. Majority of the old are group respondents perceived that the promotion of private label products is good. The calculated chi square P value of the age group is 0.881, and the value is greater than the table value, so the null hypothesis is accepted at 5% level.

Table 5 : Level of Consumer Perception on Promotion of Private Label Products

Sl. No.	Category		Perception on Promotion of Private Label Product				
			Total	Poor	Fair	Good	P Value
1	Gender	Male	138	18	83	37	0.006
		Female	148	41	41	66	
		Total	286	59	124	103	
2	Age	Young	63	14	35	14	0.881
		Middle	126	18	56	52	

		Old	97	27	33	37	
		Total	286	59	124	103	
3	Education	School level	55	12	29	14	0.627
		Graduate	164	34	87	43	
		Professional	67	13	8	46	
		Total	286	59	124	103	
4	Occupation	Students	38	10	19	9	0.001
		Employee	127	22	60	45	
		Employer	69	13	30	26	
		Home maker	52	14	15	23	
		Total	286	59	124	103	

Source : Survey Data

Majority of the respondents under the category of educational level i.e., students, graduate are perceived that the promotion of the private label products is fair, majority of the professionals are perceived that the promotion of private label products is good. The calculated chi square P value of the educational level is 0.627, and the value is greater than 0.05. Hence, the null hypothesis is accepted at 5% significant level.

Majority of the student community, employees and employer perceived that the place of the Private label products is fair. Majority of the home makers are perceived that the place of the Private label products is good. The calculated chi square p value is 0.001, it is less than 0.05. Hence, the null hypothesis is rejected at 5% significant level.

Suggestions

The following are the suggestions offered for the resolution of improving the Private Label Products:

- i. The consumer supposed that the private label products are in medium level. The retailers should focus in all areas i.e., price, product, place and promotion to get more customers and progress the product line. It will aid the consumer to keep the product in their mind.
- ii. The consumer impressions that all sales persons do not speak about the private label goods effectively. Customers have to take the goods from the rack and identify the private label products. If the salesperson willingly indorses the private label products, consumers easily recognise and buy the products.
- iii. The consumers sense that there is struggle in distinguishing between the price of the national brands and private label products. The quantity of the products, both national and private label are alike, the consumers easily associate the price and they take decision to buy.
- iv. The retailers may conduct research to recover the excellence of their products.

- v. The retailers may extend their branches to all places, it is useful to the consumer to buy the product without long journey and expenses. Now a day's consumers are calculating the journey time and transportation expenses in this regard and the retailers may extend their supply to all market places.

Conclusion

All the companies are using the marketing mix (MM) strategy, but the fundamentals of MM will differ rendering to the marketer resource, market condition and consumer taste. The basics of marketing mix policy may vary at any point of time. The result relating to marketing mix basics may be affect the other elements, so that at the time of taking choice relating to marketing mix plan they want to reflect all the elements and sub elements. (Low and Kok, 1997). As McCarthy (1960) pointed out “the number of conceivable plans of the marketing mix is immeasurable”. The 4Ps are used by the retailer to upsurge the sales of private label products. The retailers also try their best to sell the products some sellers, without knowing the 4Ps concept, they are using it successfully. The 4Ps concept benefits to rise the products line and profit. The retailers have to gather the feedback to recover the quality of the private label product, the private label products become national brand if the retail keeps focus.

The overall awareness of the private label products is only in medium level. The retailers uphold the price in low level, it helps them to increase the sale, the product quality is in fair, and they can conduct some research to development the quality of the product. The retailers are specific in selling the products. It is good for the upcoming sales.

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