



CONSUMER PERCEPTION AND SATISFACTION ON PRIVATE LABEL BRAND

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Cite This Article: S. Kokilavizhi & R. Vanitha, "Consumer Perception and Satisfaction on Private Label Brand", International Journal of Interdisciplinary Research in Arts and Humanities, Volume 3, Issue 1, Page Number 245-249, 2018.

Abstract:

The private label brands had seen a striking increase 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 retailers can manipulate the consumers 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 consumers in around the pollachi taluk for their Perception and Satisfaction 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 Perception and Satisfaction on private label brand.

Key Words: Private Label Brands, Perception & Satisfaction

Introduction:

The private Label Manufacturers Association (PLMA), founded in 1979 in US, states that "Private label products include all merchandise sold under a retailer's brand. That brand can be the retailer's own name or a name created exclusively by that retailer. In some cases, a retailer may belong to a wholesale group that owns the brands that are available to only the members of the group". Products (or services) which are generally manufactured or provided by one company under another company's brand are known as private-label. Private label goods and services are offered in a wide range of industries from food to cosmetic to web hosting.

Consumer Perception and Satisfaction Meaning: The awareness of a customer depends on many attributes which are broadly studied. Consumer's perceptions of product value are differentiating by quality considerations, the pricing of the commodities and the level of risk involved. These backgrounds are used to express professed value, which then frankly influence consumer's motivation to buy the brand. Consumer's perceptions of product value are characterized by quality considerations, the pricing of the properties and the level of risk involved. Now with the improvement of information technology and the varying tastes of the Indian customer, the satisfactions a criterion tend to change. The life of the product decides the fulfillment level of the consumer.

Statement of the Problem: The chosen problem is to identify the consumer perception and satisfaction on private label brand. However the following questions may arise regarding customer perception and satisfaction.

- ✓ What is the consumer perception towards Private label brand?
- ✓ What is the level of consumer satisfaction on Private label brand?
- ✓ What is the opinion of consumer on 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 study the level of satisfaction of the consumer towards private label brands.
- ✓ To evaluate the consumers perception towards private labels.

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 consumers 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:

Udhaya selvaraj (2015)⁹, has studied, "consumer perception towards private labels in organized retail stores". The objective of the study is to find consumer satisfaction of private labels. The research data is based

on both primary and secondary data. Primary data were collected through questionnaire. Secondary data were collected from internet, magazines. A total sample size of 250 respondents was selected for the study by using convenience sampling method. Tools used for this study are percentage analysis, rank analysis, and weighted average. The study finds that lower price is the factor which is influencing the customer to select private label brands.

Ramakrishnan and Sudharan Ravindhran (2012)¹⁷, in their article entitled, “a study on the consumer perception towards private label brands with special reference to big bazaar, Coimbatore, Tamilnadu”. The main objectives of the study are to analyze the consumer perception towards private label brand on big bazaar, Coimbatore. The primary data was collected through questionnaire with the sample size of 150 respondents by using structured method. Tools like simple percentage, chi-square were tested for this study. The study finds that specific private labels like food and apparel are growing at faster and quality, price, trustworthy, large variety are the factors that are influencing more while purchasing private label brand.

Justin Beneke (2009)²⁰, carried out a study entitled “Consumer perceptions of private label brands within the retail grocery sector of south Africa” with the study aims that to analyze and find out the perceptions of fast moving private label brands in grocery food sector. Convenience sampling method is used for this study. The study concludes that private label brands are positioned as premium quality products and private label brands are based on money.

Results and Discussion:

Socio-Economic Profile of the Respondents:

Table 1: Socio-economic Profile of the Respondents

Characteristics	Number of Respondents (N=239)	Percentage
Area of residence		
Rural	73	30.50
Semi-urban	59	24.70
urban	107	44.80
Gender		
Male	76	32.00
Female	163	68.00
Age		
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
Marital Status		
Married	147	61.50
Unmarried	92	38.50
Educational Qualification		
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
Occupation		
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
Type of family		
Joint	73	30.54
Nuclear	166	69.56
Earning members in the family		
One	73	30.54
Two	133	55.65
Three	31	12.97
Above three	2	0.84

Non-Earning members in the family		
One	36	15.06
Two	120	50.21
Three	75	31.38
Above three	8	3.35
Total number of members in the family		
Two	4	2.78
Three	31	21.53
Four	66	45.83
Five and above	43	29.86
Monthly income		
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 consumers, 107(44.80%) are consumers living in urban area, 163(68%) consumers are female, 94(39.00%) customer's age group between 26 to 35 years, 147(61.50%) consumers are married, 88(36.8%) consumers are under-graduates holders, 84(12.97%) consumers are Private employees, 166(69.56%) consumers belong to nuclear family, 120(50.21%) consumers have two earning members in their family, 120(50.21%) consumers have two non- earning members in their family, 66(45.43%) consumers have four members in the family, 93(38.91%) consumers' family income per month is Rs. 25,001 to 40,000.

Sources of Perception about Private Label Brand:

The table below reveals the classification of consumers based on the source of perception about private label brands.

Table 2: Sources of perception about private label brand

Perception	Yes	No
Low price substitute to National brands	155	84
	(64.85%)	(35.15%)
Better quality	174	65
	(72.80%)	(27.20%)
Competitor to National brand	160	79
	(66.95%)	(33.05%)
Easily available	170	69
	(71.13%)	(28.87%)
Store initiative to some better products	130	109
	(54.39%)	(45.61%)
Trustworthy	111	128
	(46.44%)	(53.56%)
Stylish arrangement of products	135	104
	(56.48%)	(43.52%)
Guarantee and Warrantee	154	85
	(64.44%)	(35.56%)

It is observed from the above table that out of 239 consumers, 155 (64.85%) consumers experienced private label brand are low price substitute to national brands; 174 (72.80%) consumers experienced that they are satisfied with the better quality of the product; 160 (66.95%) consumers said that they are competitors to national brands; 170 (71.13%) of the consumers experienced that private label brand are easily available; 130 (54.39%) consumers experienced that retail private label stores provide better products; 111(46.44%) consumers feel that private label brand are Trustworthy ; 135(56.48%) consumers are attracted towards Stylish arrangement of products ; 154(64.44%) consumers are satisfied with the Guarantee and Warrantee provided by private label brand. Hence, it is found that majority 174(72.80%) of the consumers are satisfied with the quality of the product provided through private label brands.

3. Personal Factors and Level of Satisfaction on Private Label Brand:

Hypothesis: There is no significant between personal factors and consumer level of satisfaction on private label brand.

Table 3: Personal Factors and Level of Satisfaction on Private Label Brand

S.No	Personal Factors	D.F	Chi-Square Value	Table Value	Significant/ Not Significant	Remarks
1	Area	4	10.632	9.488	*	Rejected
2	Gender	2	1.875	5.991	NS	Accepted

3	Age	6	10.602	12.592	NS	Accepted
4	Marital Status	2	2.141	5.991	NS	Accepted
5	Educational Qualification	12	22.648	12.592	*	Rejected
6	Occupation	10	13.893	18.307	NS	Accepted
7	Monthly Income	6	10.2363	12.592	NS	Accepted

The table.3 shows that the relationship between personal factors and consumer level of satisfaction on private label brand. For the personal factors area and educational qualification there is significant relationship with consumer level of satisfaction on private label brand. Hence the hypothesis is rejected. For the personal factors gender, age, marital status, occupation and monthly income there is no significant relationship with consumer level of satisfaction on private label brand. Hence the hypothesis is accepted.

4. Personal Factors and Level of Buying Tendency on Private Label Brand:

Hypothesis: There is no significant between personal factors and consumer level of buying tendency on private label brand.

Table 4: Personal Factors and Level of Buying Tendency on Private Label Brand

S.No	Personal Factors	D.F	Chi-Square Value	Table Value	Significant/ Not Significant	Remarks
1	Area	4	12.151	9.488	*	Rejected
2	Gender	2	4.169	5.991	NS	Accepted
3	Age	6	41.658	12.591	*	Rejected
4	Marital status	2	37.808	5.991	*	Rejected
5	Occupation	10	30.662	18.307	*	Rejected
6	Type of Family	2	6.645	5.991	*	Rejected
7	Monthly income	6	6.043	12.592	NS	Accepted

The table.3 shows that the relationship between personal factors and consumer level of buying tendency on private label brand. For the personal factors area, age, marital status, occupation and type of family there is significant relationship with consumer level of buying tendency on private label brand. Hence the hypothesis is rejected. For the personal factors gender, monthly income there is no significant relationship with consumer level of buying tendency on private label brand. Hence the hypothesis is accepted.

5. Reputation of Your Retailers by the Consumers:

The consumers are classified on the basis of the kind of service used by the service provider is shown in the table.

Table 5: Reputation of Your Retailers by the Consumers

Reputation	No. of Consumers	Percentage
Excellent	75	31.38
Good	123	51.46
Poor	41	17.16
Total	239	100.00

The above table shows that, out of 239 consumers, 75(31.38%) of the consumers feel their retailers are excellent, 123 (51.46%) of the consumers feel they have good reputation and remaining 41(17.16%) of the consumers feel that they have poor reputation on retailer of their private label brand.

Thus, it is inferred that majority (51.46%) of the consumers feel that their retailers are with good reputation.

6. Opinion about Private Label Brand:

The consumers' opinion about private label brand is shown in the table below.

Table 6: Opinion

Opinion	No. of Consumers	Percentage
Satisfied	150	62.76
Neutral	59	24.69
Not satisfied	30	12.55
Total	239	100.00

From the above table shows that, out of 239 consumers, 150(62.76%) of consumers are satisfied, 59(24.69%) of consumers are neutral and 30(12.55%) consumers are not satisfied on using private label brand.

Thus, it is inferred that majority of the consumers are satisfied in using private label brand

7. Recommendation Others to Use Private Label Brand:

The consumers are classified on the basis of their recommendation others to use private label brand.

Table 7: Recommendation to Use Private Label Brand

Recommendation to purchase PLB	No. of Consumers	Percentage
Yes	185	77.41
No	54	22.59

Total	239	100.00
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From the above table shows that, out of 239 consumers, 185(77.41%) consumers are recommended others to use others private label and 54(22.59%) consumers are not recommended others to use other private label brands.

Hence, it is said that majority of 185(77.41%) consumers are recommended others to use private label brands.

Scope for Further Research:

However, the present study does not covered all the private label brands hence the budding scholars may carry out a research private label brand as follows: Perception towards private label brand among women's and Comparative study on Private label brands vs. National brands

Conclusion:

Private label brand has many perceptions like price, quality, variety of products, stylish arrangements of products, guarantee, warrantee, availability and trustworthy etc. Therefore, these are the factors which should be considered while coming with the future Private label brand. The needs of the consumers change day by day. In this context, the present study is undertaken to analyze the consumer perception and awareness on private label brands in Pollachi taluk. This in return it will help the retail stores to increase sales.

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