

# A study on factors influencing customer willingness to buy private label brand (PLB) in Chennai (India)

**Jaikishan PSR**

Symbiosis Centre for Management and Human Resource Development, SCMHRD, SIU, Symbiosis International (Deemed University), SIU, Hinjawadi, Pune, Maharashtra, India,  
psr\_jaikishan@scmhrd.edu

## ABSTRACT

- a) **Purpose-**The objective of this paper to comprehend the choice of private label brand by consumers who buy dal variety – Toor dal and green moong dal (food grocery category) in 3 Supermarket chains in Chennai and to measure the factors deciding the purchasing of a private label in this division.
- b) **Methodology-** This study is conducted using a Self-administered Questionnaire which is circulated to 103 shoppers in households staying in the vicinity of Chennai district and the data acquired from respondents is inspected using regression analysis.
- c) **Findings-** Consumers with a higher degree of familiarity and perceived quality with Private Label Brand in Toor Dal and Green Moong Dal (Dal variety) will cultivate increased intention to purchase Private Label Brand of that product. And also lower the perceived risk linked with the use of the Private Label Brand Toor Dal, the greater the consumers buying intention of that product.
- d) **Practical implications-** This research paper can help retailers to identify the factors that influence customers to purchase Private Label brands in Dal variety and build customized strategies according to it.
- e) **Originality/Value-** This study identifies the role and perception of Private Label Brands in the mind of Indian consumers.

## Keywords

Price consciousness, Private Label Brand (PLB), buying intention, perceived risk, Perceived quality

*Article Received: 10 August 2020, Revised: 25 October 2020, Accepted: 18 November 2020*

## Introduction

World's fifth-largest foreign destination in the retail sector is India. India's Retail sector alone accounts for 10% of GDP and 8% of employment. [9] Everything started in the early 1990s when there was a big shift in economic policy which led to the growth and expansion of the middle class. Because of these, there was a sharp change and rise in the consumption pattern of Indian customers. Organized retail came into existence and is growing up at a pace which is faster than any time; but unorganized retail formats or traditional formats dominate the retail market continuously. Overall the Indian retail sector experienced accelerating growth not only in urban areas but also in rural areas. Indian consumers have also become health conscious in terms of nutrition and food safety issues. While buying any product Indian customers started to look for high quality and hygienic ones.

Now, we can say that the list of fast-paced industries in India consists of Retail Sector, because of the entry of a lot of new players. [9] In 2019, It attracted around 970 million US dollars from several private equity funds. Some of the factors which drive the growth of the Retail sector are rapidly growing millennial population, changing outlook towards spending, increasing workforce of women, price trade-off and growing wallet share. The organized retail sector includes Supermarkets, hypermarkets, department stores, specialty stores etc. while unorganized retail sector includes corner shops, conventional Kirana stores, general stores etc. Private label brands are popularly known and found only in organized retail outlets. Major Business groups such as TATA, Aditya Birla Group, Reliance, ITC etc. are arriving with huge investment in Indian Retail sector

and also apart from these companies, huge International retail giants such as Walmart, Carrefour, Tesco etc. are joining in Indian retail market owing enormous market potential in Indian retail.

Private label brands (PLBs) are often known as store brands which are owned by the retailer or wholesaler. These brands are marketed, possessed and controlled by the retailer or wholesaler itself. Margin is 40 per cent in apparel and around 20 per cent margin in the FMCG category, PLBs play a major role in several markets like Canada and Europe as well. India has a much bigger growth picture in the coming future. The story of private label retail promises a great growth pace for the overall organized retail space. The opportunity for PLBs came when big supermarket giants like Pantaloons, D-mart, Big bazaar, Easy day, Shoppers Stop, Spencer's etc. are among them started to understand the role of National brands and the way they were pricing, promoting and strategizing their products. Indian Customers in the early 2000's started becoming price conscious and quality conscious mainly while purchasing their monthly groceries. To compete with National brands, the retailers and wholesalers who own PLB's also started strategizing their process. [1] Retailers are no longer selling goods of poor quality at a cheaper price, but they are establishing new rates of differentiation, better prices for a high-quality product and innovative techniques for merchandising and promotion. Retailers have recently associated private label labels with established market trends, including organic, ethical, daily value, health and wellness. A big benefit for retailers in India, and one that operates in favor of private labels, stems from the fact that Indian customers are less brand-focused and are more aware of price and freshness. Retailers also found some significance for the development

of private labels such as changing consumer habits, need to increase margins while considering profits, need to create a regular and loyal customer base and to develop a unique merchandise. Finally, the manufacturer can also change the private label labels sold around various regional borders based on customer tastes discrepancies to achieve a comparative edge in a new geographical area. Nowadays, PLB's have better branding and packaging in numerous cases compared to national brands, backed by broad in-house marketing departments and branding. [1] Private label offerings are set to give a good value proposition to the customers. Therefore, there lies an opportunity to increase the share of private label by offering the right value that the customer expects. This paper's objective is to understand the factors influencing customer's intention in purchasing private label brand and to propose strategies and recommendations based on that.

### Literature review

There have been several studies which identified the factors influencing Customer's intention in buying a private label or store brand and the differences between the National brand and PLB's.

The purpose of (De, 2017) paper is to find the perspective of consumers and consideration of retailer towards Private label brand. They examined the relationship between key factors which affects the consumer's decision and framed a hypothesis which was tested on select Indian retailers in Food & Grocery and clothing & apparel segment. [7] They collected data using a structured questionnaire using 18 items on Likert scale (1 to 5) and they used Judgement sampling technique to distribute 550 questionnaires in numerous malls of NCR region in Delhi, Noida, Ghaziabad and Gurgaon and after collecting data it was assessed using multiple regression analysis. The primary focus of this paper was also to study the impact of socio-demographic factors on the buying of PLB's through cross-tabulation technique. The study also found that a positive impact was created by all the socio-demographic factors towards buying of private label brand.

The purpose of (Batra, 2000) paper is to inspect the different elements of perceived risk and benefit in explaining deviations of buying preferences for National brands against Private label brands. They collected data using 753 usable surveys across 12 classes from 263 respondents. They used a 7-pointer Likert scale and assessed the data through confirmatory factor analysis(CFA). [2] They determined two models using confirmatory factor and analytical model. Using these models, they found that when the consequences of creating a purchase mistakes declines, the buying of private label brand rises. Their results revolved around finding attributes linked to search vs experience. Their limitations were that their model was restricted to core effects and it did not discover higher-order relations.

The purpose of (Sarkar, 2016) paper is to analyze the brand architecture approaches implemented by the Indian retailers to sell PLB's and also to find vital areas necessary for forthcoming research of PLB's in the light of the progress of organized retail in India. [12] The research methodology followed was divided into three parts: first, they conducted

discussions with store managers of nine major modern retail chains in India; second was using purposive sampling, they collected longitudinal data about shopper's details from households; third, they also conducted semi-structured in-depth interviews to comprehend the factors that were impelling Indian consumer's buying decision towards PLB's. Their findings included various pricing strategies, packaging strategies, promotion strategies. Their study also showed that prevalent PLBs have taken a packaging strategy parallel to that of National brands in specific categories such as cookies, chips and toilet clean. Their research gap states that further studies can be conducted on factors such as convenience, price, product quality and also various strategies can be formed using them.

The aim of (Beura, 2018) paper is to understand and recognize factors influencing consumer buying behavior in respect of household cleaning private label brands. The primary focus of the study was also to identify the influence consumer demographics such as household size, communal class and occupation on customer choice of cleaning chemicals. [3] This study was carried out with the aid of convenience sampling at major retail outlets in Bhubaneswar and Cuttack and with a sample size of 220 consumers. The collected data was analyzed through factor analysis with the help of ANOVA. The Hypothesis framed was tested and new findings were brought like five main elements such as store atmosphere, brand identity, sales promotion, product specifications and brand promotions affects the buying of consumer towards household hygiene product. The limitation of this study is that the convenience sampling and regional data collection limits the research to a particular area and it cannot be generalized. This study suggests that further research can be carried forward to test the effect of variables like culture and personality.

The purpose of (Mostafa, 2018) paper is to inspect the factors upsetting the consumer's willingness to buy private label brands and also to find a relationship between them. It also focused on finding the degree at which consumer perceptual factors affected their enthusiasm to buy private label brands.[11]They distributed a self-administered questionnaire to purchasers at Carrefour in Cairo, Egypt and obtained data from 265 respondents. This data was further inspected with the help of structural equation modelling. The findings show that without considering the factor of perceived risk, all the other attitudinal and perceptual factors affect consumer's willingness to buy private label brand directly or indirectly. The limitation and research gap of this study is that it just focuses on one global supermarket/hypermarket in Egypt. It advises that this research can be further continued in other stores and other countries also.

The purpose of (Kumar, 2015) paper is to inspect the preference of the customers upon the usage of private labels and national branded products to fulfil their wants and requirements. The primary focus is to distinguish among private labels and national brands and also to analyze the forthcoming of private label in India. [10] The primary research was carried out by collecting data through an organized questionnaire which was given to shoppers of famous retail outlets like Pantaloons, Westside, Shoppers Stop and lifestyle and secondary research was done through journals, magazines and news. The findings of this study

show that consumer is dependent on tools like advertisement, word of mouth while considering private label brand as a choice. The study also found that shoppers who shop for 1,2 and 3 times are faithful to private brands and whoever shops more than 3 times are not faithful to private brands.

The purpose of (Chikhalkar, Measuring factors determining private label purchase, 2016) paper is to comprehend the consumer preference for private label brand in breakfast cereals, snacks, category (biscuits and traditional snacks) and also it determines the elements that affect the private label brand purchase. The reliability statistics of the questionnaire confirmed that it had high internal reliability. The research was done by collecting 296 consumer responses from the Mysore city(India) and a model was developed for factors that determined the purchase of private label brand. It was done by applying Exploratory factor analysis and Confirmatory factor analysis.[5] The findings show that there is a significant relationship between private label brand price and perceived quality. It also found that familiarity of a product has a considerable impact on value consciousness and perceived quality. The limitations and research gap of this paper is that it is limited to only one city and other cities can be considered for further research and also this study primarily focuses only on breakfast cereals and snacks and thus the model built cannot be generalized to any other category.

The purpose of (Vyas, 2014) paper is to study and compare the attributes associated with customer preferences and how those attributes affect the purchasing preference of private label brands. The study is carried on user convenience and random sampling and the data was collected from 115 respondents using a semi-structured questionnaire from Udaipur, Chitorgarh and Pali. The analysis was done using suitable statistical tools and it was found that 78 respondents favored Easy day and its products whereas 37 respondents preferred big bazaar and its products. [13] They also found that people favored big bazaar convenience, freshness and good relationship with them and they favored Easy Day for price, good quality and pleasurable environment. The limitations and research gap of the study is that it is confined to some areas of south Rajasthan and Rajasthan.

The purpose of (Chikhalkar, Understanding the Role of Consumer Factors and Store Factors in Private Label Purchase, 2016) paper is to comprehend the customer preference for private label in the food category and to find the part of the consumer and store factors in-store brand purchase in the food category. [6] The research was done by collecting 263 consumer responses from households of the Trivandrum city (India) using a structured questionnaire which contained question determining factors in a five-point Likert scale. The collected data was analyzed with the help of Confirmatory Factor Analysis(CFA). The findings show that perceived quality and quality are major features upsetting the consumer perception and private label quality belief is formed by the extent of familiarity. The limitations and research gap of the study is that the proposed model in this study cannot address the impact of private label purchase by the factors like price, perceived risk, private label brand image, price consciousness and in-store promotions and also the study is limited to one city only and it says future research can be conducted in multiple cities.

The purpose of (Dharamdasani, 2017) paper is to analyze the influence of perceptual and demographic factors of the respondents on intention to purchase private label brands. [8] The research was done by collecting 239 consumer responses from shoppers of Pantaloons, Westside and Wills Lifestyle at Ahmadabad and Vadodara (India) using a structured questionnaire which contained question determining factors in five-point Likert scale. The collected data were examined with the help of regression analysis. This study suggests the retailers that they should make sure their customers don't postpone their purchase and they should give better customer service so that customers prefer buying private label brands. The limitation and research gap of this study is that it is limited to two cities and further research can be carried out in different cities.

The purpose of (Bhat, 2018) paper is aimed at developing and exploring a theoretically focused working model that explores the regulating effect of utilitarian and hedonic shopping principles with Indian grocery stores on the relation between the use of private label and store loyalty. For this reason, primary data was collected from 350 consumers who sell Private Label goods from different stores in India. Study of the theoretical model was performed using SEM. [4] The study results indicate an inverse association between use of the Private Label and Store Loyalty. The emergence of utilitarian shopping interest therefore reverses this into a constructive relationship. This discovery represents some interesting implications for companies and retailers. Growing and supporting various marketing approaches, for example, allow retailers to build the requisite USV to establish customer engagement that can help retailers improve their Store Satisfaction on a long-standing basis. From a retail interest point of view, earlier work has not explored the role of Private Label products. This paper consequently seeks to investigate the regulatory impact of shopping interest on the use of the Private Label and Store Loyalty.

## A. Gap Analysis

As seen in the analysis of previous literature studies, there are several influencing factors for the purchasing of private labels, but there is no clear research to classify the determinants of private label Dal varieties in food grocery. Given the fact that food grocery contributes a substantial market share to private label brands. The present research thus aims to clarify the driving factors for the purchasing of private label dal varieties in food grocery. Also from the analysis, we found that the research gap for many papers is that, it has been conducted only in one city and it has not been done in Chennai till now. Chennai city was chosen because it is growing at an exceptional rate in the organized retail buzz and robust economic growth is projected to demonstrate in this field in the coming years. There are already 250 established brands in the South Indian markets and more are coming in. Chennai is one of the top city which more number of supermarkets.

Toor dal is bought in more quantity by every household in Chennai while buying day-to-day essentials, because it forms major calorie in their food culture. In contrary, Green moong dal is bought less frequently and used much lesser when compared to Toor dal. Green moong dal is also



selected for this study to see how consumer buying intention change between products which they buy more often and less often.

From the current literature, we may infer that the key factors influencing the purchasing of a private label include market factors such as price consciousness, familiarity with private label, perceived quality, perceived risk, brand recall, packaging, SKU availability, availability of nutritional information, Value consciousness, assortment, shelf space allocation, store image and brand image.

## B. Objectives of the study

The Objectives of the study comprise:

- a) To comprehend the choice of private label brand by consumers in buy dal variety – Toor dal and green moong dal (food grocery) in Chennai
- b) Measure the factors deciding the purchasing of a private label in that division

## C. Hypothesis Development

Any research study's key focus is on identifying the causes, examining the interaction of these causes and their contribution to particular event or phenomena. Buying a private label is determined by factors in the product, store factors and shopper factors. The study is attentive on comprehending the interrelationship between these factors which can deliver the retailers with valuable insights.

To study the major factors influencing the purchase of a private label in dal variety – Toor dal and Green moong dal, 12 individuals from different families living in Chennai were selected based on purposive sampling and 20-25 minute interviews on what factors they consider before buying Toor dal and Green moong dal and their perceptions about buying a private label brand was captured in audio format and transcribed for further study. Those selected individuals regularly participate actively in general household shopping.

In these interviews, it was found that some customers buy Toor dal based on the familiarity of the brand. Most of the times, they prefer to buy National brand because of the perceived quality and perceived risk. They don't tend to consider price much here because they buy Toor dal in large quantity when compared to other dal varieties, so many of them are conscious of health and quality. During the absence of National brands, they tend to prefer buying private label brand if it is referred by a friend or family. But it was also found that they would not buy private label brand of Toor dal if it had improper packaging or if it does not have an expiry date. Some customers preferred buying PLB's Toor dal because they tried it once and became familiar with the brand and also because of the store image maintained by the retailer. It was also found that some customers who normally buy private label brand of Toor dal consider lower priced PLB rather than considering national brand as one of the major factors but they seem to avoid buying private label brand even it is priced too low because of perceived risk.

When it comes to green moong dal, most of the customers preferred buying low priced one. Price consciousness plays a major factor in this case. When they were asked that why

do they consider price as a key factor here, they replied that since it was not bought often and also since it was purchased in less quantities, they did not have any brand familiarity of National brand. When they were questioned that, whether they would try any private label brand while buying Green moong dal, they replied that they would try if retailer recommends, if the packaging is proper, if available in small SKU's because of less usage of Green moong dal and also if kept in nearby shelf space which makes easy to purchase.

After examining interviews on both the products and through extensive literature review, we finalized some major factors which can influence the customer buying decision in dal variety – Toor dal and Green moong dal in food grocery.

### a) Price consciousness

Price consciousness acts as a consistency metric and can affect the perception of value resulting in the purchasing of private label. So as they prioritize private label labels, marketers need to take a pragmatic method. One big consequence for retailers is the need to ensure that they achieve reasonable pricing and optimal consistency for private labels relative to national brands (Chikhalkar, Measuring factors determining private label purchase, 2016).

Also, from the in-depth interview analysis, we can consider that price consciousness is a major factor influencing customer intention [5] while they consider private label brands in both the items (Toor Dal and Green Moong Dal). Based on this factor, we derive two hypotheses:

H1: There is a significant association between price consciousness and intent to buy Private Label Brand, Toor Dal.

H2: There is a significant association between price consciousness and intent to buy Private Label Brand, Green Moong Dal.

### b) Familiarity with Private Label Brand(PLB)

Familiarity with store brands may influence the expectations of the quality of private labels, which in turn can influence the [5] purchase intention of the customer while choosing private label brand (Chikhalkar, Measuring factors determining private label purchase, 2016).

We should also conclude from the in-depth interview review that Familiarity with Private Label Brand is a major factor affecting consumer expectation when including private label marks in both items (Toor Dal and Green Moong Dal). We derive two hypotheses based on that factor:

H3: Consumers with a higher degree of familiarity with Private Label Brand in Toor Dal will cultivate increased intention to purchase Private Label Brand of the same.

H4: Consumers with a higher degree of familiarity with Private Label Brand in Green Moong Dal will cultivate increased intention to purchase Private Label Brand of the same.

### c) Perceived risk

Findings of (Batra, 2000) indicate [2] that it may also be necessary for national brands battling powerful Private Label Brands to increase the perceived implications for

customers of making the incorrect selection of brand, thus these results provide fresh insight into the various scopes of perceived risk upsetting the choice of a Private Label Brand. Also from the in-depth interview analysis, we can consider that perceived risk is a major factor influencing customer intention while they consider private label brands in both the items (Toor Dal and Green Moong Dal). Based on this factor, we derive two hypotheses:

H5: The lower the perceived risk linked with the use of the Private Label Brand Toor Dal, the greater the consumers' buying intention of the same.

H6: The lower the perceived risk linked with the use of the Private Label Brand Green Moong Dal, the greater the consumers' buying intention of the same.

#### d) Perceived quality

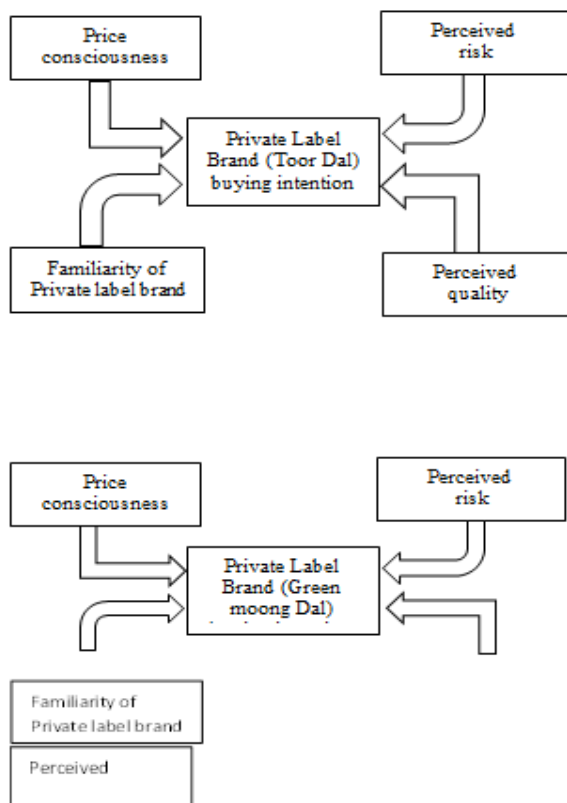
[2] Variations in perceived quality resulted in lower perceived value-for-money of private label brands (Batra, 2000).

We should also conclude from the in-depth interview review that perceived quality is a major factor affecting consumer expectation when including private label marks in both the items (Toor Dal and Green Moong Dal). We derive two hypotheses based on that factor

H7: Perceived quality of Private Label Products has a favorable influence on the buying intention of Private Label brand Toor Dal

H8: Perceived quality of Private Label Products has a favorable influence on the buying intention of Private Label Brand Green Moong Dal

#### D. Proposed Model of the study



## Research Methodology

### A. Research Design

Research design is the main base for the research plan execution. It includes the vital procedures for gaining the information needed to structure and/or resolve the difficulties. The research design sets the basis for project execution. Analysis methods for the analysis study should be implemented in two phases. The primary step, exploratory analysis would be used to get a deeper understanding of the field under review. In the second level, the detailed analysis would be used to gain even more detail and explanation about the research issue. The study has followed a succinct sample design approach.

### B. Sampling Technique

#### a) Purposive stratified sampling

The sampling method is a purposive stratified sampling. A purposive stratified sampling aims at generating a survey that can objectively be believed to be illustrative of the population. Purposive sampling is used as we have a pre-condition that respondents should be making their grocery purchases from Supermarkets of Big bazaar/Reliance fresh/Nilgiris. One way to achieve a controllable amount of data is the purposeful sampling of main studies for insertion in the synthesis

Respondents summary at a glimpse (Tab. 1)

Details	Range	No. of respondents	% of respondents
Gender	Male	49	47.6
	Female	54	52.4
Age	18-25	50	48.5
	26-40	37	35.9
	41 and above	16	15.5
Occupation	Student	55	53.4
	Business	4	3.9
	Employed for Job	33	32
	Housewife	11	10.7
Income per month	Less than 20,000	49	47.6
	20,000 – 50,000	35	34
	50,000 and above	19	18.4
Number of members in family	1	2	1.9
	2	6	5.8
	3	28	27.2
	4	50	48.5
	5 and above	17	16.5
No. of times grocery shopping every month	1	18	17.5
	2	25	24.3
	3	23	22.3
	4	15	14.6
	More than 4	22	21.4

From the above (Tab. 1), we have 49 Males and 54 Females out of 103 eligible respondents. If we analyze the employment pattern, 37 respondents are employed for Job and business and 66 will be unemployed, including homemakers and students. 48.5% of the respondents are aged between 18-25, which is the majority; 35.9% of the respondents belong to 26-40 aged; 15.5% of them were 41 and above aged.

If we analyze the number of persons in a family, 34.9% respondents have 3 members and less than that; whereas 48.5% respondents have 4 persons in their family and 16.5% of them have 5 persons in their family.

34% of respondents earn more than INR 20,000 but less than or equal 50,000 per month and 47.6% of respondents' earnings range less than 20,000 per month. Nearly 18.4% of respondents have an income greater than INR 50,000 per month.

### C. Design of Questionnaire

The first few questions were on demographic details of the respondents such as gender, age, occupation, income per month, number of members in their family and shopping frequency per month. Then a question about customer's purchase intention towards private labels. This is followed by the question of scales taken from the past research (Mostafa, 2018). The scales taken were calculated on the Likert scale wherein the researcher asked the respondents to communicate their degree of agreement on the questionnaire statements presented (1= Strongly disagree with 5= strongly agree). The Likert scale has few benefits such as being easy to create and manage. Respondents grasp the use of the scale readily (Tab. 2)

Scale used	Type of measurement in computing	State - ments	Variable	Alpha	Basis of scale
Interval Scale	Five Point Rating Likert Scale	2	Price consciousness	0.921	(Mostafa, 2018) [11]
Interval Scale	Five Point Rating Likert Scale	2	Familiarity with PLB	0.890	(Mostafa, 2018) [11]
Interval Scale	Five Point Rating Likert Scale	2	Perceived Risk	0.889	(Mostafa, 2018) [11]
Interval Scale	Five Point Rating Likert Scale	2	Perceived Quality	0.732	(Mostafa, 2018) [11]
Interval Scale	Five Point Rating Likert Scale	1	Purchase Intention		

### D. Reliability

The method of regression was used to calculate the association between the Dependent variables and the independent variables. Dependent variable was taken as intention to purchase and Independent variables were taken as perceived quality, perceived risk, familiarity with PLB and price consciousness. The data were obtained from 103 customers. The power of the scale was calculated by observing the reliability before observing the relation between dependent and independent variables. The calculation tool is the alpha coefficient. The alpha-coefficient was used in the reliability analysis to measure the internal accuracy of the objects on the scale.

## Results and Analysis

### a) Regression analysis

Purchase Intention was calculated based on all statements combined. Purchase Intent consists of four declarations. The findings of F- statistics indicate the important association between perceptual variables and intention to buy. (Toor Dal –  $F=8.079$ ,  $\text{sig}=0.00$ ) and (Green Moong Dal –  $F=21.241$ ,  $\text{sig}=0.00$ )

ANOVA Table on Purchase Intention of Toor Dal (Tab. 3)

Model	Sum of Squares	Df	Mean square	F	Sig
Regression	171.516	4	42.879	8.079	.000
Residual	514.798	97	5.307		
Total	686.314	101			

$P<0.05$ : Model is fit

ANOVA Table on Purchase Intention of Green Moong Dal (Tab. 4)

Model	Sum of Squares	Df	Mean square	F	Sig
Regression	349.320	4	87.330	21.241	.000
Residual	402.913	98	4.111		
Total	752.233	102			

$P<0.05$ : Model is fit

Summary of Model for Purchase intention of Toor Dal (Tab. 5)

Model	R	R square	Adjusted R Square	Std Error of the Estimates
1	.500	.250	.219	2.304

(displays significant relative between intention to buy Toor Dal private label and perceptual variables)

Summary of Model for Purchase intention of Green Moong Dal (Tab. 6)

Model	R	R square	Adjusted R Square	Std Error of the Estimates
1	.681	.464	.443	2.028

(displays significant relative between intention to buy Green Moong Dal private label and perceptual variables)

As shown in (Tab. 5) and (Tab. 6), R square is the degree of model explanatory power. It tells that explanatory variables (independent ones) have explained 25.8% of the variation in intention to buy of Toor Dal and 46.4% of the variation in intention to buy of Green Moong Dal.

Output of Regression tested for customer's intention to buy Toor Dal (Tab. 7)

Variable	Un- standar d- ized coeffi -cient B	Un- standard -ized coefficie nt std. error	Standardiz ed coefficient Beta	t	Sig .
(Constant)	-.080	1.513		-.053	.958
Price Consciousness	-.072	.108	-.063	-.669	.505
Familiarity of PLB	.304	.133	.224	2.284	.025
Perceived Risk	.280	.133	.194	2.101	.038
Perceived Quality	.472	.159	.290	2.977	.004

Output of Regression tested for customer's intention to buy Green Moong Dal (Tab. 8)

Variable	Un- standar d- ized coeffi -cient B	Un- standard -ized coefficie nt std. error	Standardiz ed coefficient Beta	t	Sig .
(Constant)	-2.346	1.376		-1.705	.091
Price Consciousness	-.097	.104	-.082	-.938	.350
Familiarity of PLB	-.349	.140	.226	2.493	.014
Perceived Risk	.165	.129	.109	1.280	.203
Perceived Quality	.892	.144	.536	6.176	.000

## Findings

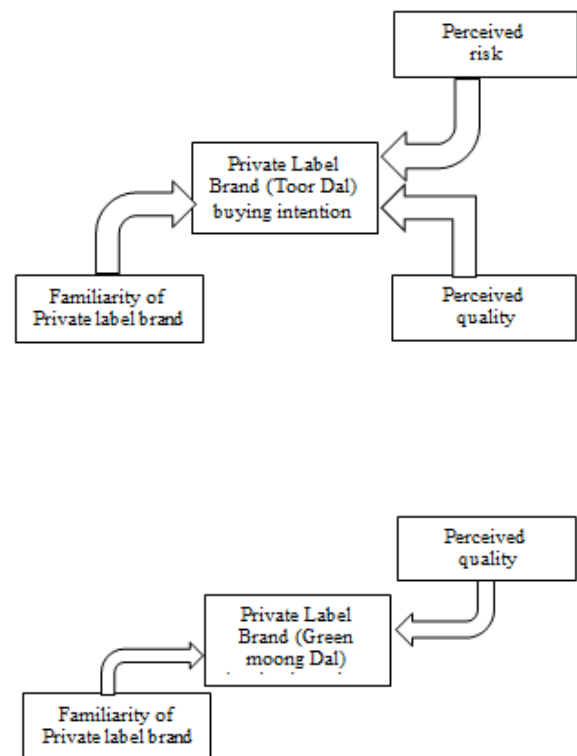
From (Tab. 7) and (Tab. 8) Hypothesis H1, H2 and H6 were rejected since  $P > 0.05$  and hypothesis H3, H4, H5, H7 and H8 were accepted since  $P < 0.05$ .

Therefore, it can be said that consumers with a higher degree of familiarity with Private Label Brand in Toor Dal and Green Moong Dal will cultivate increased intention to purchase Private Label Brand of the same. (De, 2017) also [7] concludes that most notably, brand familiarity will draw more and more buyers to visit their shops.

And it can also be said that the lower the perceived risk linked with the use of the Private Label Brand Toor Dal, the greater the consumers buying intention of the same.

Also, the perceived quality of Private Label Products has a favorable impact on the buying intention of Private Label brand Toor Dal and Green Moong Dal. (Chikhalkar, Understanding the Role of Consumer Factors and Store Factors in Private Label Purchase, 2016) [6] mentions that in food category, retailers need to enhance the consistency of the shop labels by reducing the difference in price; by enhancing labelling and product quality

## A) Final Model of the study



## Discussions

The private label strategy should be incorporated into the overall company vision of the retailer, with a specific commitment to the objectives of the retailer and a plan to generate value for customers. Private label products should have a clear appeal to consumers and a persuasive argument, which should be priced accordingly. Retailers should continuously enforce the private label value proposition in all relevant categories. Private label management requires routine execution with care, including pricing, marketing, display and quality control.

## a) Benefits of Private label strategies

- 1.) Many firms that can effectively build a private label offer will increase sales, improve productivity and enhance customer loyalty.
- 2.) Private label generates its own category space thus overcoming clutter and price reductions.
- 3.) Private label strategy helps increase the organization's overall profit margin in the division
- 4.) Through using their private-label goods to fill in the gaps, retailers may increase their chances of attracting sales and provide a wide range of products
- 5.) Retailers have greater access to third party vendors and distribution networks; they learn brand management strategies greater.
- 6.) Negotiate more advantageous terms with suppliers accordingly to increase the shelf space revenues for the competitor's brand. They can evaluate their consumer profiles and segmentation using in-store data and sales statistics, and decide where they will need private label items to complete their assortment

### Conclusion and Recommendations

Therefore, to increase sales and capture customer loyalty in Private Label Brand Toor Dal and Green Moong Dal, retailers can adopt strategies like bundling Private Label small SKU Toor Dal with National brand so that customers get familiar with their brand, which can increase their buying intention.

Retailers should conduct campaigns like distributing free samples, displaying the transparency of their packaging process, etc. which can make the customer understand the quality of their Private Label Toor Dal and Green Moong Dal so that it can lower the perceived risk and enhance the buying intention of the customer towards private label brand of the same.

### Limitations

Precise and reliable data are at the heart of successful science. Because of time restraints and non-availability of financial and non-financial resource, the analysis of purchase intention towards private label dal varieties was taken in one area.

First, Researcher took one town, if they were taken to another town, the result would be different. Another significant thing about the present study is that its emphasis is mainly on two dal varieties, so this model cannot be generalized and extended to other categories. Results obtained in this study would be inspiring others to undertake upcoming research.

Second, only three supermarket chains, namely Big Bazaar, Reliance Fresh and Nilgiris, are the subject of the present report. Future research should examine other retail settings, product categories, level of involvement of consumers to investigate.

Lastly, the researchers have faith that some of the above suggestions will be considered by scholars to progress branding research in the area of PLBs, particularly in **countries where PLBs are still under development.**

Forthcoming research must focus on having this study replicated with different target respondents. A big review of consumers of many backgrounds in different geographical regions should help to make the results of this research work more generalizable for the people as a whole. Work to come will also harness the competences of emerging technologies which have transformed data gathering.

### References

- [1] (2020). Retrieved from India Retailing: <https://www.indiaretailing.com/>
- [2] Batra, R. &. (2000). Consumer-level factors moderating the success of private label brands. *Journal of retailing*, 175-191.
- [3] Beura, D. &. (2018). Private Label Brand Extension and Consumer Buying Behavior towards Household Cleaning Chemicals. *International Journal of Advances in Agriculture Sciences*.
- [4] Bhat, I. H. (2018). Examining the moderating effect of shopping value on private-label and loyalty in Indian grocery stores. *Management & Marketing. Challenges for the Knowledge Society*, 748-760.
- [5] Chikhalkar, R. &. (2016). Measuring factors determining private label purchase.
- [6] Chikhalkar, R. &. (2016). Understanding the Role of Consumer Factors and Store Factors in Private Label Purchase.



- [7] De, D. &. (2017). Consumer's perspective and retailer's consideration towards purchase of private label brands. *Procedia computer science*, 587-594.
- [8] Dharamdasani, D. &. (2017). Private Label Purchase Intention: Effect of price consciousness, innovativeness, familiarity, perceived risk and perceived quality.
- [9] India, &. I. (2020). Retail Industry in India: Overview of Retail Sector, Market Size, Growth. Retrieved from IBEF: <https://www.ibef.org/industry/retail-india.aspx>
- [10] Kumar, S. &. (2015). A study on consumer perception regarding private label branding in India. *European Journal of Business and Management*, 225-232.
- [11] Mostafa, R. H. (2018). Factors affecting consumers' willingness to buy private label brands (PLBs). *Spanish Journal of Marketing-ESIC*.
- [12] Sarkar, S. S. (2016). Private label brands in an emerging economy: an exploratory study in India. *International Journal of Retail & Distribution Management*.
- [13] Vyas, R. &. (2014). Factors Influencing Consumers' Preference for Private Label Brands (PLBs) of Organized Retail in South Rajasthan-An Empirical Study. SSRN 2998933.