Consumer Perception on Private Label Brand in Electronic Consumer Durable Products

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Abstract

Though the private labels are new to our country, it has been successful in capturing the national brands share. Its presence is felt by the dwindling share of the weak national brands. Private label is not only low priced, but is also high on quality and for their retailers it gives high margin. Elaborate research on private labels is seen in all product categories in developed economies than in developing economies as their entry is late in developing economies. Retailing in India is moving from unorganized sector to organized and is on the consolidation stage. To keep up with the stiff competition the retailers want to have loyal customers. The loyal customers can be retained only if they are satisfied with the store and its services. The customers of the retailer can be retained by promoting private labels. This paper is trying to reason out the decision for the purchase of Private Label (PL) electronic consumer durables by the consumers. From the previous review of literature, the researcher identified the constructs and variables for the brand loyalty of PL products, especially based on the Aaker model for the brand equity. This is followed by the statistical explanation derived from Structural Equation modeling. This paper throws light on the reasons to purchase the PL products of the electronic category and concludes with the limitations of the study.

Key words: Private labels, store image, brand loyalty, Structural Equation Modeling, perceived quality, electronic consumer durable.

DEFINITION:

Private labels are defined as any brand that is owned by the retailer or the Distributor and is sold only in its own outlets as 'store brand', 'retailer brand', 'in house brand'. (Kumar & Steenkamp, 2007)

PRIVATE LABELS IN INDIA

Market review of Private Labels in India is still an emerging concept with an increasing acceptance of private labels in India. The initial growth of PL brands in India has been limited to certain categories like grocery and apparel; it is expected to expand into many categories as well (Abishek and Abraham Koshy 2008). According to a Global Private Label consumer study by AC Nielsen, 56% of their survey respondents in India considered private labels to be good alternatives to manufacturer’s brand. The study done by AC Nielson (2006) named “Asia Pacific Retail and shopper trend”, has stated that, although private labels were a fairly recent phenomenon in India, it is a trend that is catching up very fast. According to this report, In India out of a total number of shoppers who shop in supermarkets or hypermarkets, 69% are aware of private labels. The AC Nielson study forecasts the launch of a good number of private labels in India. According to KPMG, Image Retail Report 2009, as quoted in the “Indian Retail: Time to Change Lanes” Private label sales constitute about 10-12% of organized retail sales in India. The highest penetration of private label brands was by Trent at 90%, followed by Reliance at 80% and Pantaloons at 75%. Big retailers such as Shoppers stop and Spencer’s had a penetration of 20% and 10% respectively. Management consultancy, A.T. Kearney has placed India third on its Global Retail Development Index in 2010. The retail market is about $410 billion, but 5% of sales were through organized retailing. Thus, with the growth of organized retail in India, private label is also growing. Retailers have launched a wide range of private labels and are gaining acceptance in categories beyond the staple. Private label is spreading its focus
from groceries and apparels to high technology electronic consumer durable gadgets like mobiles, LCD, AC, Washing Machines, furniture, etc. With the growth PL brands which grabs the share from the national brands.

CONSUMER DURABLE SCENARIO IN INDIA

A study by PricewaterhouseCoopers (PwC) and Federation of Indian Chambers of Commerce and Industry (FICCI) and the National Manufacturing Competitiveness Council (NMCC) on India, points out that with its favorable demographics and untapped market potential, India is emerging as an attractive market for consumer durables (NMCC, 2009). The financial pulse study, published by the Associated Chambers of Commerce and Industry of India (ASSOCHAM) Research Bureau during 2010 forecasted that the Indian rural markets would witness a 40% growth in the fiscal 2011-12 as against 30% during 2010-11. The study has also revealed that around 35% of the total sales of consumer durables come from rural and semi-urban markets, which is expected to grow by 40% to 45% in future. The Indian market for consumer durables was estimated to be 300 billion (2011-12) and will reach 500 billion by 2015. Despite the high growth rate, the penetration level of consumer durable categories is still very low relative to the size of the Indian market. The report by RNCOS (2012) finds that the penetration level of many consumer durables was very low. For example, the usage of refrigerator stands at around 18%; washing machine 6%; microwave oven about 1% and air-conditioner less than 2%. The low penetration of these products unveils a rewarding untapped market.

REVIEW OF LITERATURE - FACTORS INFLUENCING PRIVATE LABEL PURCHASE PRICE AND PERCEIVED QUALITY

Consumers bought private label brands as they were influenced by quality variation, price sensitive, price-quality relationship and brand loyalty (Glynn and Chen 2009). The main reason and advantage for the retailer to introduce a private label is the ability to sell it at a low price. The consumers who were very price sensitive, purchased the private brand products. This finding was inconsistent with earlier research in the western countries (Manyu Huang and Kevin E Voges 2011). Pricing of the PL products is the main attribute for the PL purchase of the consumers. (Amit R Pandya and Monarch A Joshi 2011).

In contrast to the earlier findings a Lithuanian Retail chain had introduced PL of higher quality with a premium price compared to National brand (Maiksteniene and Auruskeviciene 2008). In spite of the market level price sensitivity factor lowering the price will not increase its demand and will not help for the long run success of private label (Nathan M Fong, Duncan I Simester and Eric T Anderson 2011).

BRAND ASSOCIATION

The conceptual framework of brand association examines the brand awareness, perceived value, and brand loyalty to brand equity. To build a strong brand equity the brand has to be differentiated from the other products and service through a successful strategy. (Aaker 1991). The building of a strong brand equity is a long term process (Cheing Fayrene Y.L. Goi Chai Lee 2011). Regina Virvilaite, Migle Dailydiene 2012 through their theoretical studies have concluded that brand image forms through brand identity elements, brand associations, perceived quality and the emotions attached to the brand. The research on brand association for PL products shows that consumers buy fewer PL category products which requires actual trial or experience. According to the researchers the purchase of PL is based on the role of search versus experience which varies with the product category (Batra and Sinha 2000). The purchase decision of PL product shows that consumer relies on extrinsic cues like brand name, store name, price (assess the quality) and risk (to judge the quality) to make a purchase decision (Mieres, Martin and Gutieniz 2006).

STORE IMAGE

The purchase of store brands depends on the store image or is influenced by it. The various factors that go into determining the store image are product assortment and product price.
Store image and product brand image are directly linked with each other. The store image is also determined by convenience and store atmosphere. Contributions and empirical research conclude that the private label brand image is decided by the outlet location, atmosphere, stock formation and pricing (Virvilaite and Dailydiene 2012). The above findings show that the success of store brand is positively linked to outlet image. This finding is supported by Jiang 2003, Manyu Huang and Kevin E. Voges 2011. To supplement the above research on store image, Vahie and Paswaan 2006 had found that stores, services are only supplementary in nature to form a positive store image. The store services like product delivery, ordering over the phone or through online communication, credit facility affects the sale of PL products. The above discussion concludes that store image is comprised of complex tangible and intangible elements that linked the consumers and the sellers (Kuikaite and Mascinskiene 2010).

CUSTOMER SATISFACTION
Customer satisfaction is the measure of customer loyalty to a store, product, brand, etc. This loyalty is measured in terms of shopping frequency, tolerance to price increases, customer retention over time, share of wallet within a product category and word of mouth effects. (Guadagni and Little 1983, Grover and Srinivasan 1992, Sharp and Sharp 1997, Rowley and Daves 2000). The customers are classified into 3 Categories 1. completely satisfied 2. Satisfied 3. Dissatisfied. The completely satisfied customers are really loyal. The satisfied category can only be wooed by competitors. (Jones and Sasser 1995). In the durable white goods market customer satisfaction is constituted by 14 factors which are ranked (1) repair (2) overall quality (3) product compatibility (4) competitive price (5) worthiness (6) reliability (7) usage experience (8) after sales service (9) responsiveness (10) customer service (11) loyalty programs (12) warranty (13) pre sales (14) sales person’s behavior. The above attributes constitute the key factors of customer satisfaction in leading durable white goods market in Chennai. (A. R. Krishnan, Dr. K. Hari 2011). Researchers like Jones and Sasser 1995 tried to measure loyalty and in turn satisfaction through 1. Intent to Repurchase 2. Recency, frequency and amount of purchases 3. Customer referrals and word of mouth.

BRAND LOYALTY
Brand loyalty can be understood by two terms, behavioral loyalty and attitudinal loyalty. The repeated purchase of a brand without any attachment to the brand was called behavioral loyalty. The repeated purchase with attachment to the brand is behavioral and attitudinal loyalty (Agarwal 2009, Keller 1993). The consumption of a PL increases the probability of repeated purchase of PL than NB (Maciej Szymanowski and Els Gij Sbrc Chs 2012). The brand loyalty of the customers can be understood through Social Identity Theory. According to Social Identity Theory, self concept is composed of personal identity and social identity (Hughes and Ahearn 2010, Mael and Ashforth 1992, Taifel and Turner 1995). A person identifies himself and seeks memberships in groups which are prestigious through the purchase of brands. The concept of brand loyalty is well understood through the above theory. The brand a person purchases shows how successful he is in life (As forth and Mael 1989, Scott and Lane 2000). This attitude naturally leads to brand loyalty. The retailer has differentiated themselves and their brands, through their private labels. This differentiation resulted in increased customer loyalty (Moberg 2006). The recent study however is showing that there were limitations to the above approach (Ailwadi, Pauwels and Steenkamp 2008). Private label form a subgroup in the consumer memory (Nencyz-Thiel, Romaniuk 2009, Nencyz-Thiel Et Al 2010). The loyal private label, consumers had price utility of the product in their mind this keeps them against buying new products (Ailawadi Et Al 2001, Sethuraman 1995). This spirit can dampen the consumer loyalty to the store as they are encouraged to buy other store brands also which is called the spillover effect. (Maciej Szymanowski and Els Gij Sbrc Chs 2012)

RESEARCH GAP
From the literature and the statistics that is available to the researcher, I can put forth that private labels have their strong presence in EUROPE especially Switzerland followed by the U.S.
The presence of PL is at the nascent stage in the developing economies. Due to the delayed entry of organized retailing, this recent phenomenon has led to a gap in Industry and academic literature. The PL market in China is 1% and in India it is less than that. The research on PL in various product categories had been carried out in western countries including consumer durables and vice versa in non-Western countries (Dunne And Narasimhan 1999, Oubina, Rubio And Yague 2000). Research regarding private label’s manufacturer’s perspective is required in non-western markets to improve PL market share. (Bontemps, Orozw, Requilart 2008, Karry and Martin-Herran 2009). Research gap is identified on PL product categories, especially in the consumer durable product and their positioning in non-western countries (Manyu Huang And Kevin E. Voges 2011, Gracioso And Najjar 1997). Most of the research on PL is done in countries where PL was introduced few decades back. So there is a research gap in developing countries where PL is new to the consumer. (Ailawadi, Neslin and Gedenk 2001, Erdem, Zhao and Valenzuela 2004).

RESEARCH OBJECTIVES
1. To identify the constructs involved to purchase the private label Electronic consumer durable.
2. To find out mediating factor influencing Brand Loyalty on Private label electronic consumer durables.
3. To find the relationship between the constructs.

THEORITICAL FRAMEWORK (BASED ON AAKER)

Consumer Preference /Brand Equity on Private Label

- Price
- Brand Association
- Store Image
- Perceived Quality

Customer Satisfaction

Brand Loyalty

RESEARCH METHODOLOGY

In Quantitative Research descriptive research method was employed to understand and explore consumer’s intentions, subjective experiences and motivations (Daymon & Holloway 2002). Quantitative design was selected as it is based on the nature of the research purpose and objectives fixed. Since this study attempts to investigate cognitive structures and the motives for buying private labels in Consumer electronic durables, quantitative research design was considered as more profound and broad insight into the analysis of the problem. The qualitative research method was defined as “any kind of research that produces findings not arrived at by means of statistical procedures or other means of quantification” (Strauss & Corbin, 1990, p. 17). The study aims to provide details and information, so future researchers can replicate or improve on this study. The research design was quantitative in nature which used nominal and ordinal scales. The sampling is used as the complete list of the target unit. The data are also collected through personal interview as collecting data needed permission from the retail stores which sometimes were difficult to obtain. The disproportionate convenient sampling method is used. Based on the previous discussion on various
available literatures all variables in the questionnaire had been justified. The constructs variables in the questionnaire are grouped as follows:

Demographic Factors studied are Age, Gender, Marital Status, Education, Gross Monthly Income, Family Members, Life Stage, Decision Maker, Profession and constructs used in the SEM model are Price, Perceived Quality, Store Image, Brand Association, Customer Satisfaction and Brand Loyalty. The actual survey was carried out at the point of Purchase. The variables were measured using Likert 5 point scale. The sample would have been skewed if the researcher had collected it in the offer period only. The sample was collected for a period of 6 months for 2 consecutive sales and normal period. The respondents who actually made the purchase of PL electronic consumer durable were asked to fill in the questionnaire. The sample size was 500. The data collected were analyzed for the entire sample. Data analysis was performed with Statistical Package for the Social Sciences (SPSS 16) using techniques that included Cronbach alpha Reliability test and AMOS 21 package was used to analyze Structural Equation Modeling (SEM).

The pre-test or pilot study was conducted with 50 samples and the reliability analysis was carried out to find the Internal consistency based on correlations among the constructs. The Cronbach alpha (reliability coefficient) values for the rating scale was obtained using SPSS 16 package. The values for pilot studies and surveys were found to be 0.905 and 0.946 respectively, and for each construct the Cronbach alpha (reliability coefficient) values for Price are 0.786, Brand Association is 0.748, Store Image is 0.716, Perceived Quality is 0.836, Customer Satisfaction is 0.707 and Brand Loyalty is 0.762. An alpha value above 0.7 indicates good reliability. (Nunnally 1967),(Gianfranco Walsh, Vincent-Wayne Mitchell 2010). Structural Equation Modeling (SEM) was a family of statistical models that seek to explain the multiple relationships among constructs. The model or structure created for the study examines the interrelationships expressed in the form of a series of equations which are similar to many multiple regression equations. These equations show the relationships among the constructs involved in the analysis.

LIMITATIONS
Private Label branding is a new concept and this paper will shed light on the topic. Nevertheless, the novelty of the topic also leads to a limitation of this paper because it has to rely on the little theory available on the field of Private label branding of consumer durablesSensitive questions on pricing and stores may not have yielded true answers as they are connected to their prestige. The consumer durable products such as refrigerators, washers, color TVs have 10 years as their lifetime. The data collection on durables was usually an expensive and complex proposition as the replacement period is high the respondents available were limited.

RESEARCH HYPOTHESES
Mediation refers to a process or mechanism through which one variable (i.e., exogenous) causes variation in another variable (i.e., endogenous). Studies designed to test for moderation may provide stronger tests of mediation than the partial and whole covariance approaches typically used (e.g., Baron & Kenny, 1986; Bing, Davison, LeBreton, & LeBreton, 2002; James & Brett, 1984). Based on the discussions the researcher formulated the following hypotheses.

H1: The PL dimension Price positively influences the brand loyalty
H2: The PL dimension Perceived Quality positively influences the brand loyalty
H3: The PL dimension brand association positively influences the brand loyalty
H4: The PL dimension Store image positively influences the brand loyalty
H5: The PL dimension Price positively influences the customer satisfaction
H6: The PL dimension Perceived Quality positively influences the customer satisfaction
H7: The PL dimension brand association positively influences the customer satisfaction
H8: The PL dimension Store image positively influences the customer satisfaction.
H9: The PL dimension customer satisfaction positively influences the brand loyalty
MEDIATED STRUCTURAL EQUATION MODELING OF PRIVATE LABEL BRAND LOYALTY

Since the Brand Loyalty in Private label consumer durable is a theoretical construct, researcher has defined the dimension based on the Aaker Model and its literature. The Mediated Private Label Model is to be applicable in the consumer durable sector, the constructs and the variables of Private Label Consumer durable sector were reliable and valid in measuring the brand loyalty. The model examines the relative importance of constructs of brand loyalty and the mediating factor customer satisfaction. After identifying a potential model that best explains the data in terms of theory and model fit, using structural equation modeling (SEM) is done to test the conceptual model. All tests of model invariance begin with a global test of the equality of covariance structures across groups (Joreskog, 1971). The data for all groups were analyzed simultaneously to obtain efficient estimates (Bentler, 1995). The constraints used include, from weaker to stronger: (1) model structure, (2) model structure and factor loadings, and (3) model structure, factor loadings and unique variance.

EVALUATION OF MODEL FIT

Several well-known goodness-of-fit indices were used to evaluate the model fit: the chi-square $\chi^2$, the comparative fit index (CFI), the unadjusted goodness-of-fit indices (GFI), the normal fit index (NFI), the Tucker-Lewis Index (TLI), the root mean square error of approximation (RMSEA) and the standardized root mean square error residual (SRMR). Goodness-of-fit (GOF) indices provide “rules of thumb” for the recommended cutoff values to evaluate the data - model fit. Hu and Bentler (1999) recommend using combinations of GOF indices to obtain a robust evaluation of model fit. The criterion values they list for a model with good fit are CFI > 0.90, TLI > 0.90, RMSEA < 0.08, and SRMR < 0.08 for assessing fit in structural equation modeling. Hu and Bentler offer caution about the use of GOF indices, and current practice seems to have incorporated their new guidelines without sufficient attention to the limitations noted by Hu and Bentler. Moreover, some researchers (Beauducel & Wittmann, 2005; Fan & Sivo, 2005; Marsh, Hau, & Wen, 2004; Yuan, 2005) believe that these cutoff values are too rigorous and the results by Hu and Bentler may have limited general Ability to the levels of misspecification experienced in typical practice. In general practice, a “good enough” or “rough guideline” approach is that for absolute fit indices and incremental fit indices (such as CFI, GFI, NFI, and TLI), cutoff values should be above 0.90 (0.90 benchmark) and for fit indices based on residual matrix (such as RMSEA and SRMR), values below 0.08 are usually considered adequate. Analysis was done using AMOS 21.0.
Fig. 1 shows Amos’ structural equation modeling diagram with parameter estimates.

From the above figure we can see that the, Price (PR) consists of five sub dimensions, Brand Association (BA) consists of six sub dimensions, Store Image (SI) consists of five sub dimensions, Perceived Quality (PQ) consists of seven sub dimensions, Customer Satisfaction (CS) consists of seven sub dimensions and Brand Loyalty (BL) consists of six sub dimensions. The RMSEA fit statistics for the model was 0.076, which the model can be considered (Brown and Cudeck, 1993; Diamantopoulos and Siguaw, 2000). The path diagram shows the Customer satisfaction as the mediating factor for Brand Loyalty.

EVALUATION OF PRIVATE LABEL MEDIATED MODEL
The following table gives the summary of the various goodness of fit statistics and other values corresponding to the Private Label mediated structural equation model. Also the last column in the table provides the acceptable level for the goodness of fit statistics and other values.

### TABLE 1: Summary of the various Goodness of Fit Statistics and other values corresponding to the Private Label Mediated Structural Equation Model

<table>
<thead>
<tr>
<th>S.NO</th>
<th>Measures of fit</th>
<th>Output of Private Label model</th>
<th>Acceptable Level for good fit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Chi-square ($\chi^2$) at $p$ 0.05</td>
<td>2439.861</td>
<td>Significant</td>
</tr>
<tr>
<td>2.</td>
<td>Degree of freedom (d.f)</td>
<td>583</td>
<td>-</td>
</tr>
<tr>
<td>3.</td>
<td>Comparative fit index (CFI)</td>
<td>0.92</td>
<td>&gt;0.90</td>
</tr>
<tr>
<td>4.</td>
<td>Bentler – Bonett Index or Normed Fit Index (NFI)</td>
<td>0.858</td>
<td>&gt;0.90</td>
</tr>
<tr>
<td>5.</td>
<td>Root mean squared error of approximation (RMSEA)</td>
<td>0.076</td>
<td>&lt;0.08</td>
</tr>
<tr>
<td>6.</td>
<td>Non Centrality Parameter (NCP)</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>7.</td>
<td>Non Centrality Parameter, Lower boundary (NCPL0 90)</td>
<td>2747.920</td>
<td>-</td>
</tr>
<tr>
<td>8.</td>
<td>Non Centrality Parameter, Upper boundary (NCPL0 90)</td>
<td>3127.667</td>
<td>-</td>
</tr>
<tr>
<td>9.</td>
<td>Parsimony adjusted NFI (PNFI)</td>
<td>0.795</td>
<td>-</td>
</tr>
<tr>
<td>10.</td>
<td>Parsimony adjusted CFI (PCFI)</td>
<td>0.851</td>
<td>-</td>
</tr>
<tr>
<td>11.</td>
<td>Minimum value of Discrepancy (FMIN)</td>
<td>4.89</td>
<td>-</td>
</tr>
<tr>
<td>12.</td>
<td>Lower Limit of FMIN (LO90)</td>
<td>3.423</td>
<td>-</td>
</tr>
<tr>
<td>13.</td>
<td>Upper limit of FMIN (HI90)</td>
<td>4.034</td>
<td>-</td>
</tr>
<tr>
<td>14.</td>
<td>Browne-Cudeck Criterion (BCC)</td>
<td>2696.922</td>
<td>-</td>
</tr>
<tr>
<td>15.</td>
<td>ECVI</td>
<td>5.366</td>
<td>-</td>
</tr>
<tr>
<td>16.</td>
<td>LO90</td>
<td>5.068</td>
<td>-</td>
</tr>
<tr>
<td>17.</td>
<td>HI90</td>
<td>5.68</td>
<td>-</td>
</tr>
<tr>
<td>18.</td>
<td>MECVI</td>
<td>5.405</td>
<td>-</td>
</tr>
<tr>
<td>19.</td>
<td>HOELTER.05</td>
<td>266</td>
<td>&lt;= 75 poor fit</td>
</tr>
<tr>
<td>20.</td>
<td>HOELTER.01</td>
<td>279</td>
<td>At least 200</td>
</tr>
</tbody>
</table>

Source: AMOS 21.0 output

### TABLE 2: REGRESSION OUTPUT

<table>
<thead>
<tr>
<th>Path</th>
<th>Estimate</th>
<th>S.E.</th>
<th>C.R.</th>
<th>P</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>CS &lt;---- PR</td>
<td>-0.084</td>
<td>0.021</td>
<td>-4.081</td>
<td>***</td>
<td>Significant</td>
</tr>
<tr>
<td>CS &lt;---- BA</td>
<td>0.45</td>
<td>0.01</td>
<td>4.522</td>
<td>***</td>
<td>Significant</td>
</tr>
<tr>
<td>CS &lt;---- PQ</td>
<td>0.528</td>
<td>0.094</td>
<td>5.629</td>
<td>***</td>
<td>Significant</td>
</tr>
<tr>
<td>CS &lt;---- SI</td>
<td>0.132</td>
<td>0.045</td>
<td>2.93</td>
<td>0.038</td>
<td>Significant</td>
</tr>
<tr>
<td>BL &lt;---- CS</td>
<td>0.561</td>
<td>0.101</td>
<td>5.572</td>
<td>***</td>
<td>Significant</td>
</tr>
</tbody>
</table>

The Constructs in the model i.e. Price, brand association, perceived quality and store image are significant and have an impact on brand loyalty which is proved to the mediating factor in customer satisfaction through SEM. The highest impact is caused by the perceived quality (0.528) in determining the brand loyalty of Private label electronic consumer durables. In our study, we measured perceived quality through product features, easy to use, appearance, after sales service, warranty and safety. Product quality is determined by the performance of the main function, versatility, performance...
of auxiliary functions (convenience to clean, store, etc.); Reliability (this property ensures that the product will perform its function for a certain period of time); safety (the product's use under use conditions set by the manufacturer does not cause any risk or danger to users' health) and other properties (Kuvykaite, 2001).

MANAGERIAL IMPLICATIONS:

This study has examined the influence of price, quality, brand association, store images on brand loyalty through the mediating factor, customer satisfaction. The brand loyalty of the customer is influenced by all above stated factors. The price factor has a negative estimate value (-0.084), this shows an inverse relationship with customer satisfaction (ie) if the price of PL increases the customer satisfaction for PL in the store will decrease. This shows that the Indian consumers are price conscious and look for functional benefits. The Indian customers are price sensitive and not only look out for functional benefit and quality. An another important dimension which has a real influence in the purchase of private label is customer satisfaction whose estimate value is 0.528. This proves that the Indian customers expect value for money though they are price sensitive. The aspect of quality now goes hand in hand with price of Private label electronic consumer durable. The next factor that influences the private label purchase is brand association with an estimate value of 0.45. The brand association is based on the attributes and innovation of the product. The brand association leads to brand loyalty. The next significant factor with an estimate value 0.132 is the store image. The sales of the store brand depend on the outlook of the store image. The findings of this research are supported by various literatures which is already been in review of the literature.

The growth of private labels in the Indian retail industry is inevitable. Retailers can reinforce quality product security norms and standards to their PL brands. The imposed standards of product quality can gain more customers if it is communicated to the customers. Moreover, when used as an umbrella brand, the brand portfolio should be managed properly as to avoid any negative impact on the store brand. It is quite evident that as the Indian retail industry consolidates over the next decade, retailers will look to differentiate among themselves through private labels and will form a highly significant part of their strategy to increase store loyalty.

CONCLUSIONS

Private label brands in India are in the initial phase of development. From my research I have concluded that the purchase of PB electronic Consumer durable is influenced by price, perceived quality, store image, brand association which leads to brand loyalty through CS (customer satisfaction and brand loyalty). The Retailers should not ignore National brands as they provide a benchmark for quality and brand positioning. They can study the factors which influence the brand image of NBs and determine how those factors impact their brands. This might help them to bring these factors to position their PL products. Future researchers should have an objective of examining whether consumers attempt to calculate and use percentage savings or use a simpler form of relative judgment to purchase PL consumer durable. Retailers should recognize that consumer uses the psychophysics-of-price heuristic to influence their purchase decision based on the pricing practices.

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