

CUSTOMERS' PREFERENCE FOR PURCHASING PRIVATE LABEL BRAND (STORE BRAND): A STUDY IN BENGALURU

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ABSTRACT

Purpose – The purpose of this paper is to identify attributes influencing customers' willingness to purchase private label products or store brands.

Design/methodology/approach – The paper develops a design to investigate the impact of various attributes related to private labels and the willingness to purchase private label products in retail stores. A total of 143 respondents completed a questionnaire about attributes influence them to purchase private label products and willingness to buy the private labels. The attributes were developed through the review of literature. Data is analyzed with analysis of Cochran's Q test to know the proportion of customers willing to purchase private label product is same across all the attributes of store brands for their usage.

Findings – The paper finds that various attributes influence customers' willingness to buy private label brands for their use. The customers buying PLB as they are cost effective and believing that they are providing value for their money. Unavailability of national brand, packaging, offers on private label products were the other attributes influencing customers to purchase private label products for their usage.

Practical implications – The results indicate that price is not the only factor influencing customers' willingness to buy new store brands. But price is an important factor to be considered before pricing the store brand. Therefore, the results encourage retailers to position store brands also in premium segments, especially for product groups where social acceptance is important.

Originality/value – This paper differs from other papers in the literature in that it analyses attributes influencing the customers to purchase private label brands. Furthermore, it analyzes many different potential influencing attributes such as less expensive, offers on PLB ,for experimentation and trail use ,these are followed by unavailability of national brand, believing

quality in PLB, packaging of PLB low category risk , store image ,suggested by friends, attractive display and suggested by store staff .

KEY WORDS: Retailing, Private Label Products, Store Brands.

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About the retail malls taken for the present study:

1. **Banglore Forum Mall:** Forum Mall was built in 2003 and was the first mall in Bangalore City. Since then, six new malls have been constructed in the city and yet the Forum Mall continues to command the highest foot traffic, continuing to be one of the most successful malls in the city in terms of annual revenues.
2. **Mantri Square:** Mantri Square is a shopping mall situated in the Malleswaram locality in Bangalore, Karnataka, India. Mantri square is one of the biggest malls in the country and one of the popular malls in the city.
3. **Banglore Central:** Central brand has malls all over India. It is owned by Pantaloon Retail India that also owns the Indian Big Bazaar supermarket chain.