

## DETERMINANTS OF CONSUMER PURCHASE DECISION IN SELECT PRIVATE LABEL PRODUCT CATEGORIES

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### ABSTRACT

*The paper observes and explains the important determinants which the consumers consider while making a purchase decision in select private label products category (PLPs) in Belagavi city. For this study, data was collected from 168 respondents who considered the purchase of PLPs for their individual and home use, through structured questionnaire developed from the evidence from the earlier studies. Analysis of the data involved the use of Kendall's W which revealed that for most of the PLPS in Fast Moving Consumer Goods (FMCG), the purchase decision was made mainly on price and offers followed by the content and advertisement (in store). Demographic factors with social influence were also found to play an influential role in making the purchase decision by the consumers.*

**Keywords:** FMCG, PLPs, Kendall's W, Chi-square, price, offers, packing, content, advertisement, varieties.

### INTRODUCTION

A consumer considers a large number of brands to meet their needs, one of which are private label products. Mulacova & Mulac (2013) characterize private label products as branded products that are produced and offered by retail trade and other distribution channels, and thus forms a specific brand category. There are a number of retail chains that sell variety of assortments in terms of private label products which often are cheaper than the national brands. Therefore, customers with more sensitive responses to changes in prices or in their income (Horáková, 2015) are generally more interested in purchasing these products. The basic feature of the private label product is the value assessment in terms of price to-value ratio (Chebeň & Štefúnová, 2011). Product price being the most important criteria for purchase, the consumers also look at the other aspects of the product while purchasing, such as packaging, quantity, contents of the product, varieties in similar category, attractiveness, offers etc. With time, private label products have evolved and enhanced their position in market in various categories such as, durable goods, meat products, chilled and frozen foods, dairy products, alcoholic and non-alcoholic beverages, paper and plastic products, animal

food, hygiene and drugstore, clothing, sportswear, pharmaceuticals, home cleaning and washing agents and household appliances. In most retail chains, the range of private brands is divided into several categories, either by price and quality or by main strategic approaches of communication (Fraser, 2009).

Private label products are products that are manufactured by a particular manufacturer (third party), sold under the brand name of another business; while Dunne & Narasimhan (1999) report that they are characterized by weak barriers of market entrance or the existence of significant economies of scale. Private label products are manufactured by, or on behalf of, retailers and sold beneath the same name of retailers' or trademark under their own stores (Baltas G, 1997). Another definition given by researchers simply defined private label as brands that are owned, sold and distributed by the retailers themselves (Lincoln K., Thomassen L, 2008). Therefore, Private label products are sold and manufactured by the retailers under their own umbrella. Private Label Manufacturer's Association (PLMA) has defined Private Label as a product that encompasses all goods sold beneath the retailer's brand name, it may be own name of retailer's or a name exclusively suggested by that retailer. The retailers brand term is often exchanged with store brand, in house brand, private label or own-label. The private label products have been coming across in the market largely, as seen from last few decades. Sutton Brady et al. (2017) emphasize the need and significance of the effect of private labels and their impact on the consumer purchase. According to Doyle & Murgatroyd (2011), private labels play a significant role in shaping competitive market dynamics. Private label products were primarily characterized by low quality and low cost, but the image of private label products has changed significantly over the last decade, product quality has improved, and emphasis has been placed on packaging and product design. As a result, there has been a steadily growth in the market share of private label products (Kasotakis & Chountalas, 2014), the largest increase is in the private label of food, which accounts for 10-45percent of retail sales (Stauder et al., 2012). Nielson (2013) in their paper intended to explain the steady rise of private labels in India and what is triggering its growth. Nielson says that the food category dominates the private label market with around 76 percent of the total sales. For example, packaged grocery contributes to a whopping 53 percent of total sales. In the non-food category, the top position is that of household cleaners which accounts for nearly 48percent of private label sales. Other significant contributors include personal care, fabric care and the general category towards the kitchen use. The kitchen use products may be cleaning napkins, chopping and peeling

tools and other utensils used for cooking food. These also form a significant of the retail store.

### **Problem Statement**

Consumers are price sensitive but it is not that always their consumptions are driven only by price-factors. Though price may form an important factor of purchase, but the consumers do evaluate and consider other aspects while purchasing. The researcher here, is trying to find out what could be the other determinants and how would consumers prefer them while making a purchase decision.

### **Purpose of the Research**

1. To get knowledge about the variables influencing consumers' decisions to purchase private label goods.
2. Retailers will benefit from this study's increased comprehension of consumers' thoughts and assessments during the purchasing process.

### **Research Questions**

1. Which PLP characteristics affect consumers' decision to buy?
2. How much do the consumers prefer these features when making a purchase?
3. Do customers weigh the aforementioned determinants similarly?

### **Objectives of the Research**

- 1) This study's main goal is to pinpoint the characteristics (determinants) that entice the customers to purchase private label goods.
- 2) Additionally, this study sheds light on how consumers rate the determinants.
- 3) The purpose of this study is to determine how important each factor is when choosing what to buy.

## **LITERATURE REVIEW**

A consumer decision-making style is defined as “mental orientation characterizing a consumer’s approach to making consumer choices” (Sproles & Kendall, 1986). Relevant literatures in this regard suggest that consumer styles may be characterized by the lifestyle approach, the consumer typology approach, and the consumer characteristics approach (Bettman, 1979, Miller, 1981, Sproles, 1985). Based on these literatures, Sproles & Kendall

(1986) reported the eight basic characteristics of Consumer Decision-Making Styles in their study:

- 1) High-Quality-Conscious Consumer (Perfectionist) – “a characteristic measuring the degree to which a consumer searches carefully and systematically for the best quality in products which suits the taste and use”;
- 2) Price-Equals-Quality Consumer (Brand-Conscious) – “a characteristic measuring a consumer’s orientation toward buying an expensive, well-known national brands”;
- 3) Novelty and Fashion-Conscious Consumer – “a characteristic of identifying consumers who appear to prefer new and innovative products and gain excitement from seeking out new things”;
- 4) Recreational and Shopping-Conscious Consumer – “a characteristic measuring the extent to which a consumer finds shopping a pleasant activity and shops just for the fun of it and also tends to identify and purchase according to the need”;
- 5) Value-for-Money Consumer (Price-Conscious) – “a characteristic identifying a consumer with particularly high consciousness of sale prices and lower prices in general by being very choosy and selective;
- 6) Careless Consumer (Impulsive) – “a trait identifying consumers’ who have a tendency of buying at the spur of the moment and appear to be unconcerned about how much he or she spends (or getting ‘best buys’). Such consumers usually are lured towards the offers and extra gains from the purchase”;
- 7) Confused by Over Choice Consumer – “a person perceiving too many brands and stores from which to choose and who are likely to experience information overload in the market”; and
- 8) Brand-Loyal Consumer (Habitual) – “a characteristic indicating a consumer who repetitively chooses the same favourite brands and stores”.

In the concept of understanding the determinants of private label product characteristics, the researchers found out that the consumers get involved and engage in more of information search while purchasing the product. Consumer behaviour is dynamic and is often related to price, colour, appearance, brand, contents and other aspects of the product. Hansen (2005), states that often the consumers take trade-offs among the various aspects of the product.

**Price:** From the literature review mentioned above, the researcher proposes that the consumers consider price and company of a PLP as important determinants to influence their purchase decision.

There are several other factors which influence the consumers during their purchase such as personal, economic, cultural, social, peer pressure, aspirations, ethics, morals, demographic factors etc., as mentioned by Chattopadhyay (2013). Shukla, P., Banerjee, M., & Adidam, P. T. (2011) in their research paper studied and stated various psychographic & socio-demographic factors which have a profound impact on profiling of the private label consumers. Marketing strategies are greatly inclined towards socio-demographic pointers as they have an influence major on the buying decisions based on the family life cycle stage in which a consumer lies. Price consciousness, brand & store loyalty, quality perception, varieties etc. are some other psychographic factors which have an impact on buying behaviours of consumers towards private label products.

**Packaging & Content:** Private brands have significant benefits for both retailers and consumers. Some of their major advantages for retailers include: lower costs, higher profit margins, higher chain profitability, increased differentiation and product turnover, control over shelf space, control over production, control over pricing, adaptability, generating store loyalty, control over branding, and strong visual identity. (Ashley, 1998; Bonfrer and Chintagunta, 2004, Ailawadi et al., 2008). Ratings of quality, price level, packaging, image and advertising of store brands with in the store along with varieties and offers seem to be very important for the consumers when it comes to purchasing of these private labels stated by George Baltas and Paraskevas C. Argouslidis (2006). Generally, to state further, the consumers try to look and have their own inferences while purchasing any PLP from the retail store. A study by Jaafar et al (2013) assess the impact of perceived quality, perceived value and perceived risk along with perceived price, store image, advertisement and packaging with content and the attributes of consumers' attitude which include familiarity, perceived economic situation and trust on consumers' purchase intention towards private label products. The study concluded that consumers' attitude regarding familiarity and trust due to previous experience of use with perceived price are the most significant factors that affect the consumers' purchase intentions towards private label products. Moreover, many times the consumer also seeks to asks the store attendant, about the product as to how is it, is it new, if not available, what is possibility of it arriving early and so on.

From the literature review the researchers propose that the consumer considers price, packaging, varieties, contents and advertisement of PLPs as important determinants while making a purchase decision.

**Offers:** Consumers look for offers on the purchase no matter what it is. Retailers may offer sample products inside the store to increase consumer familiarity with store brands. Increased familiarity may lessen unfavourable quality perceptions of these brands (Dick, Jain and Richardson 1995, p.21). The promotion strategies of PLPs consist of product placement on the shelves along with the national brands, coupons, discounts and bonus packages as these tools contribute to increase brand image of the retail store and retailer's own brand (Thiel 2011, p.4). The researcher from the literature review understands the product offers on PLPs forms an important determinant consume while making a purchase decision.

**Advertising:** George Baltas and Paraskevas C. Argouslidis (2006), state that in store advertising is very important for the consumer to gain attention and help to know the PLP being differentiated form the available products. As the consumers have their own inferences while making a purchase, Jaafar et al (2013) states that advertising induces familiarity with the PLP and thus increasing the intention of the consumers to buy the same. In store advertising consists of arrangement of the PLP in an attractive way, displaying the varieties with pamphlets and hanging charts when the consumers walk in and so on. Advertising inside a store is done along with offers as well.

## **RESEARCH GAP**

From the review of literature, it has been noted that the studies involving the consumer behaviour towards buying PLP and the bases of decision-making during their purchasing is limited. From these, most of studies have been generalised with no specific attention towards a specific category of PLP. Hence, this study explores the aspects of consumers purchasing PLP specifically in the form of determinants that define the purchase. This study focuses on what parameters a product is chosen which helps to understand as to how a resident of Belagavi city makes a purchase decision. The researchers have considered specific categories of Fast-Moving Consumer Goods (FMCG) for private labels towards the research. The categories considered for the study are Confectionaries, Grocery, Personal care, Home care and Kitchen Ware. Products considered under the category for the study are as given below:

- i. **Confectionaries** - Cakes, Biscuits, Chocolates, Bread, Rusks, Toasts, etc.,
- ii. **Grocery** - Food items, Tea / Sugar, food grains, cooking ingredients etc.,

- iii. **Personal Care** - Hand wash, Soaps, Sanitizer, Tissue napkins, Clothes Washing agents, etc.,
- iv. **Home Care** - Floor Cleaning /Toilet Cleaning, Air fresheners, Disinfectants, etc.,
- v. **Kitchen ware** – Cooking utensils, chopping board and knife, strainer, kitchen cleaning napkins, etc.,

## **RESEARCH METHODOLOGY**

The study is descriptive in nature and aims on focusing on the determinants of the product on which the consumer makes purchase decision with respect to PLP. It attempts to identify the determinants with respect to selective categories of FMCG in PLPs in Belagavi city. The respondents were selected by using simple random sampling in which 180 questionnaires were circulated in the city, of which total of 168 responses were considered useful and complete for the study. The respondents consist of students, home makers, professionals, business people, service and self-employed. The questionnaire was administered physically as well as using internet through Google forms in which the respondents were asked to rank the various aspects for the PLPs according to the preference of their purchase. Further, the secondary data was collected from books, journals, published articles, related content over the internet, magazines and newspapers.

## **HYPOTHESES DEVELOPMENT**

The researchers after going through the literature review has understood and selected the determinants which form a significant aspect to the consumers while purchasing a PLP. Having selected the determinants, the researchers have framed the following hypotheses with respect to the study:

H<sub>01</sub>: There is no significant difference in ranks of the determinants in the purchase of PLP in Confectionaries.

H<sub>02</sub>: There is no significant difference in ranks of the determinants in the purchase of PLP in Grocery products.

H<sub>03</sub>: There is no significant difference in ranks of the determinants in the purchase of PLP in Personal Care products.

H<sub>04</sub>: There is no significant difference in ranks of the determinants in the purchase of PLP in Home Care products.

H<sub>05</sub>: There is no significant difference in ranks of the determinants in the purchase of PLP in Kitchen ware products.

The above stated hypothesis has been evaluated and tested by the researchers using SPSS v 23 software.

## DATA ANALYSIS & INTERPRETATION

Although Belgaum city has population of 488,157; its urban / metropolitan population is 610,350 (census 2011) and the population mix of the city comprises of students, professionals, service personnel, business people and self-employed. This heterogenous mix of population is considered for the study with varied age, occupation, qualification, income etc. The city has a rich source of life style with top named and renowned schools and colleges. Medical colleges and university are also a part of this city. Good number of organized retail store are also set up to carter to the needs of the people. The socio-economic profile of the Belagavi residents shows the representation of demographic characteristics of the respondents.

Table 1 shows the profile of the respondents in terms of their gender, age, education and occupation. 72.02% of the respondents were female and the remaining 27.98% were male. Majority of the respondents were from the age group of 36-45 years representing 40.48% of the total followed by 26-35 years representing 25%. With regard to education qualification, majority of the respondents had a graduate degree (48.81%) followed by pre university (20.83%). Belagavi having good percentage of literacy rate is sufficed by this data. The occupation of the respondents shows that most of them are home maker (34.52%), followed by service class (25%) with students (23.81%), business and professionals in line. So, it can be inferred that the respondents were from varied class of the society representing different sections.

**Table1: Respondents Profile**

Gender		
Male	47	27.98%
Female	121	72.02%
<b>Total</b>	<b>168</b>	<b>100.00%</b>
Age (in years)		
18-25	8	4.76%
26-35	42	25.00%
36-45	68	40.48%
46-55	38	22.62%
56 above	12	7.14%



<b>Total</b>	<b>168</b>	<b>100.00%</b>
Education		
No formal schooling	15	8.93%
SSLC	9	5.36%
PUC	35	20.83%
Graduate	82	48.81%
Post Graduate	25	14.88%
Professional course	2	1.19%
<b>Total</b>	<b>168</b>	<b>100.00%</b>
Occupation		
Home	58	34.52%
Service	42	25.00%
Business	12	7.14%
Student	40	23.81%
Professional	11	6.55%
Others	5	2.98%
<b>Total</b>	<b>168</b>	<b>100.00%</b>

Table 2 depicts the income pattern of the respondents with the highest group responses coming from the income group earning of Rs. 20,001 – Rs. 30,000 (per month) forming 26.79% (45). The second highest group is of Rs. 10,001 – Rs. 20,000 (per month) with 22.62% (38) and Rs. 30,001 – Rs. 40,000 (per month), 21.43% (36) forming the third highest group. We can infer that the respondents were widely distributed in terms of their income.

**Table 2: Income Pattern of the Respondents**

Income		
10,000 or below	9	5.36%
10,001 – 20,000	38	22.62%
20,001 – 30,000	45	26.79%
30,001 – 40,000	36	21.43%
40,001 – 80,000	28	16.67%
80,001 and above	12	7.14%
<b>Total</b>	<b>168</b>	<b>100.00%</b>

## DETERMINANTS OF PURCHASE OF SELECT PRIVATE LABEL PRODUCT CATEGORIES

As this study analysis the determinants of the purchase of PLPs in certain categories, the researchers here have carefully selected those categories which are based on day today necessity in terms of food, personal care and household needs.

i) **Determinants in the purchase Confectionaries in PLP category:** The confectionaries product list consists of Cakes, Biscuits, Toast, Rusks, Bread, etc., As these products are purchased on the basis of several determinants, the respondents were asked to rank these determinants as per their priority of choice while making a purchase decision. Table 3 shows the result associated with the purchase of confectionaries in PLP category.

Table 3 displays that for purchasing confectionaries, ‘price’ forms the major determinant which is considered to be very important (61.90%), followed by ‘packing’ which is important (52.40%) and then ‘content’ which is moderately important (53.60%). Price becomes the pre dominant factor in consumer shopping behaviour which shapes the purchase decision Krishnamurthy & Gupta (2017).

**Table3: Determinants in the purchase of Confectionaries in PLP category**

Importance	Units	Confectionaries					
		D1	D2	D3	D4	D5	D6
Very Important	Resp.	104	30	4	1	15	1
	%age	61.90%	17.90%	2.40%	0.60%	8.90%	0.60%
Important	Resp.	28	88	40	32	5	13
	%age	16.70%	52.40%	23.80%	19.00%	3.00%	7.70%
Moderately Important	Resp.	32	29	90	20	10	26
	%age	19.00%	17.30%	53.60%	11.90%	6.00%	15.50%
Slightly Important	Resp.	4	20	25	108	40	104
	%age	2.40%	11.90%	14.90%	64.30%	23.80%	61.90%
Not Important	Resp.	0	1	9	7	98	24
	%age	0.00%	0.60%	5.40%	4.20%	58.30%	14.30%
Total respondents	Resp.	168	168	168	168	168	168
	%age	100%	100%	100%	100%	100%	100%

Note: D1 = Price, D2 = Packaging, D3 = Content, D4 = Varieties, D5 = Advertisement, D6 = Offers.

**Table 4: Test Statistics for the Determinants in the purchase of Confectionaries**

Confectionaries							
	N	Mean	Std. D.	Min	Max	Mean Rank	Assigned Ranks
<b>D1</b>	168	1.62	0.874	1	4	1.25	1
<b>D2</b>	168	2.25	0.907	1	5	2.07	2
<b>D3</b>	168	2.97	0.836	1	5	3.27	3
<b>D4</b>	168	3.52	0.868	1	5	4.24	4
<b>D5</b>	168	4.20	1.239	1	5	5.31	6
<b>D6</b>	168	3.82	0.794	1	5	4.85	5
Kendall's W: 0.822; Chi-Square: 690.512 (df: 5); Asymp. Sig.: 0.000.							
Note: D1 = Price, D2 = Packaging, D3 = Content, D4 = Varieties, D5 = Advertisement, D6 = Offers.							

Table 4 illustrates that the respondents gave 'price' the first rank as it forms from the major determinant while making a purchase decision. 'Packaging' stands second as the respondents say that it is an important determinant for purchase. Third rank goes to 'content' as the respondents prefer the content to be next significant determinant. Varieties, advertisement and offers are also considered to be important but not as vital as the first three. Kendall's W(0.822) indicates that there is a high grade of concordance (agreement with the ranks given by the respondents towards confectionaries). The calculated Chi-Square value (690.512) is found to be more than the critical value 14.7 at 5 degrees of freedom with 5% level of significance. With reference to the 'p' value (<0.05), the null hypothesis  $H_0$  is rejected which indicates that there is a significant difference in the ranks given by the respondents regarding the purchase of confectionaries in PLP category. This significance may be due to the personal choices and preferences made by the consumers.

ii) **Determinants in the purchase of Grocery in PLP category:** The grocery category includes Food items, tea/sugar, food grains, cooking ingredients, packed food and ready to eat etc., Grocery forms an important part of purchase of every house hold and the respondents were asked to rank the determinants in terms of being very important to not important. Table 5 depicts the outcome with regard to the purchase of grocery products in PLP category.

In table 5, ranking depicts that the respondents ranked 'price' to be very important (51.20%), followed by 'offers' to be important (38.10%) and 'packaging' to be moderately important (29.20%). Here again, 'price' becomes the significant factor which shows that the

respondents are price sensitive and are very selective with regard to good packing, with offers being important during purchase decision.

**Table 5: Determinants in the purchase of Grocery in PLP category**

Importance	Units	Grocery					
		D1	D2	D3	D4	D5	D6
Very Important	Resp.	86	37	41	12	11	8
	%age	51.20%	22.00%	24.40%	7.10%	6.50%	4.80%
Important	Resp.	31	34	26	28	16	64
	%age	18.50%	20.20%	15.50%	16.70%	9.50%	2
Moderately Important	Resp.	36	49	39	43	19	23
	%age	21.40%	29.20%	23.20%	25.60%	11.30%	13.70%
Slightly Important	Resp.	14	28	37	56	46	58
	%age	8.30%	16.70%	22.00%	33.30%	27.40%	34.50%
Not Important	Resp.	1	20	25	29	76	15
	%age	0.60%	11.90%	14.90%	17.30%	45.20%	8.90%
Total respondents	Resp.	168	168	168	168	168	168
	%age	100%	100%	100%	100%	100%	100%

Note: D1 = Price, D2 = Packaging, D3 = Content, D4 = Varieties, D5 = Advertisement, D6 = Offers.

**Table 6: Test Statistics for the Determinants in the purchase of Grocery**

Grocery							
	N	Mean	Std. D.	Min	Max	Mean Rank	Assigned Ranks
D1	168	1.89	1.052	1	5	1.35	1
D2	168	2.76	1.296	1	5	2.97	2
D3	168	2.88	1.394	1	5	3.21	3
D4	168	3.37	1.161	1	5	4.38	5
D5	168	3.95	1.242	1	5	5.42	6
D6	168	3.05	1.131	1	5	3.68	4
Kendall's W: 0.73; Chi-Square: 613.104 (df: 5); Asymp. Sig.: 0.000.							
Note: D1 = Price, D2 = Packaging, D3 = Content, D4 = Varieties, D5 = Advertisement, D6 = Offers.							

Table 6 states that the respondents gave 'price' the first rank, 'packaging' second third rank to 'content'. Kendall's  $W$  (0.73) indicates a high degree of concordance (agreement with the ranks given by the respondents towards grocery products). The Chi-Square value (613.104) as calculated is found to be more than the critical value 14.7 at 5 degrees of freedom with 5% level of significance. With reference to the ' $p$ ' value ( $<0.05$ ), the null hypothesis  $H_{02}$  is

rejected which shows that there is a significant difference in the ranks given by the respondents regarding the purchase of grocery products in PLP category. The study shows that price, packaging and offers become important determinants for purchase.

**iii) Determinants in the purchase of Personal Care in PLP category:** The product list in personal care category includes handwash, toilet soap, sanitizer, tissue napkins, clothes washing agents etc., Personal care forms a part of periodic purchase for individual consumption and the respondents were requested to rank the determinants for it. Table 7 illustrates the significance of the same.

As per Table 7, the respondents have ranked ‘contents’ to be very important (56.50%) determinant with ‘offers’ to be important (44.60%) and ‘varieties’ (60.10%) to be moderately important.

**Table 7: Determinants in the purchase of Personal Care in PLP category**

Importance	Units	Personal Care					
		D1	D2	D3	D4	D5	D6
Very Important	Resp.	25	8	95	1	26	14
	%age	14.90%	4.80%	56.50%	0.60%	15.50%	8.30%
Important	Resp.	23	27	40	45	37	75
	%age	13.70%	16.10%	23.80%	26.80%	22.00%	44.60%
Moderately Important	Resp.	22	20	20	101	71	72
	%age	13.10%	11.90%	11.90%	60.10%	42.30%	42.90%
Slightly Important	Resp.	45	108	12	17	22	7
	%age	26.80%	64.30%	7.10%	10.10%	13.10%	4.20%
Not Important	Resp.	53	5	1	4	12	0
	%age	31.50%	3.00%	0.60%	2.40%	7.10%	0.00%
Total respondents	Resp.	168	168	168	168	168	168
	%age	100%	100%	100%	100%	100%	100%

Note: D1 = Price, D2 = Packaging, D3 = Content, D4 = Varieties, D5 = Advertisement, D6 = Offers.

**Table 8: Test Statistics for the Determinants in the purchase of Personal Care**

Personal Care							
	N	Mean	Std. D.	Min	Max	Mean Rank	Assigned Ranks
D1	168	3.46	1.435	1	5	4.76	5
D2	168	3.45	0.959	1	5	4.96	6
D3	168	1.71	0.974	1	5	1.44	1
D4	168	2.87	0.688	1	5	3.72	4

<b>D5</b>	168	2.74	1.094	1	5	3.37	3
<b>D6</b>	168	2.43	0.706	1	4	2.74	2
Kendall's W: 0.616; Chi-Square: 517.815 (df: 5); Asymp. Sig.: 0.000.							
Note: D1 = Price, D2 = Packaging, D3 = Content, D4 = Varieties, D5 = Advertisement, D6 = Offers.							

Table 8 states that the respondents have ranked 'contents' to be first, 'offers' to be second and 'advertisement' to be third rank. Here advertisement means in-store display and promotion of personal care products under PLP category. A high degree of concordance (agreement with the ranks given by the respondents towards personal care products) is indicated by Kendall's *W* (0.616). The observed Chi-Square value (517.815) is found to be more than the critical value 14.7 at 5 degrees of freedom with 5% level of significance. Hence, the null hypothesis  $H_{03}$  is rejected as the '*p*' value which is  $<0.05$ . As such, there is a significant difference among the determinants related to the purchase of personal care products in PLP category and the result shows that the contents form the priority for personal care products.

**iv) Determinants in the purchase of Home Care in PLP category:** The home care product list consists of floor cleaning/ toilet cleaning agents, air fresheners, disinfectants etc., home care products form an inevitable part of purchase for any consumer for which the respondents were requested to rank the determinants for it. Table 9 depicts the output regarding the same.

Table 9 shows that for purchasing home care products, 'offers' on the products is the major determinant (56.00%) followed by 'packaging' (40.50%) with 'varieties' (37.50%) to be moderately important.

**Table 9: Determinants in the purchase of Home care in PLP category**

Importance	Units	Home care					
		D1	D2	D3	D4	D5	D6
Very Important	Resp.	82	50	18	35	5	94
	%age	48.80%	29.80%	10.70%	20.80%	3.00%	56.00%
Important	Resp.	34	68	21	42	35	36
	%age	20.20%	40.50%	12.50%	25.00%	20.80%	21.40%
Moderately Important	Resp.	27	32	32	63	35	20
	%age	16.10%	19.00%	19.00%	37.50%	20.80%	11.90%
Slightly Important	Resp.	17	15	39	21	65	13
	%age	10.10%	8.90%	23.20%	12.50%	38.70%	7.70%
Not Important	Resp.	8	3	58	7	28	5
	%age	4.80%	1.80%	34.50%	4.20%	16.70%	3.00%

Total respondents	Resp.	168	168	168	168	168	168
	%age	100%	100%	100%	100%	100%	100%
Note: D1 = Price, D2 = Packaging, D3 = Content, D4 = Varieties, D5 = Advertisement, D6 = Offers.							

**Table 10: Test Statistics for the Determinants in the purchase of Home Care**

Home care							
	N	Mean	Std. D.	Min	Max	Mean Rank	Assigned Ranks
<b>D1</b>	168	2.02	1.221	1	5	2.42	2
<b>D2</b>	168	2.13	0.998	1	5	2.59	3
<b>D3</b>	168	3.58	1.355	1	5	5.27	5
<b>D4</b>	168	2.54	1.083	1	5	3.41	4
<b>D5</b>	168	3.45	1.088	1	5	5.29	6
<b>D6</b>	168	1.80	1.107	1	5	2.01	1
Kendall's W: 0.791; Chi-Square: 664.398 (df: 5); Asymp. Sig.: 0.000.							
Note: D1 = Price, D2 = Packaging, D3 = Content, D4 = Varieties, D5 = Advertisement, D6 = Offers.							

Table 10 illustrates that the respondents gave 'offers' the first rank as it forms from the major determinant while making a purchase decision with 'Price' being second 'Packaging' the third. Varieties, advertisement and offers are also considered are preferred below these three. Kendall's  $W$  (0.791) indicates that there is a high grade of concordance (agreement with the ranks given by the respondents towards home care products) and the Chi-Square value (664.398) is found to be more than the critical value 14.7 at 5 degrees of freedom with 5% level of significance. With reference to the ' $p$ ' value ( $<0.05$ ), the null hypothesis  $H_{04}$  is rejected which indicates that there is a significant difference in the ranks given by the respondents regarding the purchase of home care products in PLP category. This significance may be due to the reason that the respondents view offers to be the prime consideration for making a purchase.

v) **Determinants in the purchase of Kitchen Ware in PLP category:** Kitchen Ware category includes Cooking utensils, chopping board and knife, strainer, kitchen cleaning napkins, etc., Though, kitchen utensils may be purchased once but there is frequent purchase of kitchen napkins, gloves, strainer as these are required quite often. Table 11, shows the outcome related to the purchase of kitchen ware products. From the table below we can infer that, the respondents have ranked 'offers' to be very important (31.00%), followed by 'packaging'

(32.70%) and then ‘advertising’ (20.80%). Here we understand the offers is pre dominant towards kitchen ware when it comes to make a purchase decision by the respondent.

**Table 11: Determinants in the purchase of Kitchen Ware in PLP category**

Importance	Units	Kitchen Ware					
		D1	D2	D3	D4	D5	D6
Very Important	Resp.	42	48	30	30	5	52
	%age	25.00%	28.60%	17.90%	17.90%	3.00%	31.00%
Important	Resp.	38	55	28	42	35	36
	%age	22.60%	32.70%	16.70%	25.00%	20.80%	21.40%
Moderately Important	Resp.	32	28	34	32	35	45
	%age	19.00%	16.70%	20.20%	19.00%	20.80%	26.80%
Slightly Important	Resp.	35	14	44	21	65	17
	%age	20.80%	8.30%	26.20%	12.50%	38.70%	10.10%
Not Important	Resp.	21	23	32	43	28	18
	%age	12.50%	13.70%	19.00%	25.60%	16.70%	10.70%
Total respondents	Resp.	168	168	168	168	168	168
	%age	100%	100%	100%	100%	100%	100%

Note: D1 = Price, D2 = Packaging, D3 = Content, D4 = Varieties, D5 = Advertisement, D6 = Offers.

**Table 12: Test Statistics for the Determinants in the purchase of Kitchen Ware**

Kitchen Ware							
	N	Mean	Std. D.	Min	Max	Mean Rank	Assigned Ranks
<b>D1</b>	168	2.73	1.369	1	5	3.08	3
<b>D2</b>	168	2.46	1.349	1	5	2.40	1
<b>D3</b>	168	3.12	1.379	1	5	4.19	5
<b>D4</b>	168	3.03	1.458	1	5	3.91	4
<b>D5</b>	168	3.45	1.088	1	5	5.02	6
<b>D6</b>	168	2.48	1.313	1	5	2.41	2
Kendall's W: 0.537; Chi-Square: 450.993 (df: 5); Asymp. Sig.: 0.000.							
Note: D1 = Price, D2 = Packaging, D3 = Content, D4 = Varieties, D5 = Advertisement, D6 = Offers.							

Table 12 states that ‘packaging’ is given the first rank, ‘offers’ second and ‘content’ third rank by the respondents. Kendall’s *W* (0.537) indicates a high degree of concordance (agreement with the ranks given by the respondents towards kitchen care products). The Chi-Square value (450.993) is more than the critical value 14.7 at 5 degrees of freedom with 5% level of significance. With reference to the ‘*p*’ value (<0.05), the null hypothesis  $H_{05}$  is rejected which shows that there is a significant difference in the ranks given by the



respondents regarding the purchase of kitchen ware products in PLP category. The study shows that packaging and offers become important determinants for purchase.

## **FINDINGS AND CONCLUSION**

The inclusive analysis of the socioeconomic profile of the respondents considered for the study, reveals that most of them were females in the age group of 36-45 years, having a good formal education and belonged to middle income group having major amenities of comfort with restitution. The further analysis of the determinants of purchase for the PLPs signifies that the most sort determinant towards the purchase decision is 'price' and 'offers' as evidenced by Kendall's *W* for all the products considered for the categories. 'Price' and 'Offers' dominate the determinants considered for the PLP categories with regard to the preference in percentage and also with the ranking towards them. 'Content' becomes significantly important in the 'Personal Care' product category as the table indicates the same in percentage and ranking. 'Packaging' being the next significant determinant is quite preferred for all the PLP categories. The same is indicated in percentage with the stated ranking. Only in case of 'Kitchen Ware', the highest preference goes to 'Packaging' with 'Offers' being the next highest.

Hence, it may be concluded that while making a purchase decision about PLPs, consumers were found to be influenced by quite a few determinants but gave maximum importance to 'Price' and 'Offers'. 'Content' and 'Packaging' also become significantly important with other product categories. As such, it may be said that the FMCG sector is growing and is having a lot of potential. Also, a conclusion may be drawn that the consumers are aware about PLPs and that it is also well taken and accepted by them.

## **MANAGERIAL IMPLICATIONS OF THE STUDY**

The determinants of the purchase decision help to understand the buying aspects of the consumers with respect to the PLPs. Hence, these findings will help the retailers (of PLPs) to understand the important aspects by which they can make they make their PLPs more attractive in availability. Also, the findings may be applied to develop useful marketing strategies to enhance the profitability of the retailer.

## **LIMITATIONS OF THE STUDY AND FURTHER SCOPE**

As this study is restricted to Belagavi city, the findings cannot be generalised to larger group and other regions. The expansion of the study in other areas and regions may have a wider impact on the findings. Moreover, selective product category highlights only specific implications in findings hence separate study can be conducted for different attributes for other categories of products under private label. Further to state, the buying behaviour of consumers being dynamic, the findings may vary from one place to another and with time. So, further studies may look into the aspects of time dynamics with location for the required determinants.

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