BIBLIOGRAPHY

BOOKS


**JOURNALS**


WEBSITE


17. http://www.indiainfoline.com


NEWS PAPER

Schedule to Customers

Topic: Marketing of private label in the organized retail sector: A study on Kerala Market with special reference to Grocery and FMCG

This data collection is undertaken as a part of the research work leading to the award of PhD Degree of Madurai Kamaraj University. I request you humbly to support this work by sharing your valuable opinion.

Thanking You,

Prasanth M. K

PART A

1. Identification Number: 

2. Age: 
   - 18 – 30 Years
   - 31 – 45 Years
   - 46 - 60 Years
   - Above 60 Years

3. Gender: 
   - Male
   - Female

4. Place of living: 
   - Corporation
   - Municipality
   - Panchayath

5. Education: 
   - Below S. S. L. C
   - S. S. L. C
   - H.S.C / Plus Two
   - Graduate
   - Post Graduate
   - Professional

6. Occupation: 
   - Daily Wage
   - Salaried
   - Government Sector
   - Private sector
   - Business
   - Professional
   - None of the above
7. Monthly Income : □ Below Rs. 10,000  
□ Rs. 10001 – 20000  
□ Rs. 20001 – 40000  
□ Rs. 40001 – 70000  
□ Above Rs. 70000

8. Marital status : □ Married  
□ Un-married

9. If married, size of the family : □ 2  
(Number of members in the family) □ 3  
□ 4  
□ 5 – 6  
□ Above 6

PART B

10. How often do you visit an organized retail store?  
□ Once in a month  
□ Once in a fortnight  
□ Once in a week  
□ 2-3 times a week

11. On an average how much time you spend at the retail store per visit.  
□ Less than 30 minutes  
□ Up to 1 hour  
□ 1 – 2 hours  
□ More than 2 hours

12. Do you prefer private label products in organized retail chains in FMCG and Grocery?  
□ Yes □ No

13. If yes, have you ever purchased any private label product?  
□ Yes □ No

14. How you rate the private label products after its purchase?  
□ Excellent □ Good □ Average □ Below average □ Poor
15. Do you feel that national brands are superior to private label in terms of quality and price?

☐ Yes  ☐ No

For Question No 16 put (√) mark

16. Out of the monthly spending at an outlet, Please show the category wise monthly spending on private labels in Grocery and FMCG.

<table>
<thead>
<tr>
<th>Grocery</th>
<th>Up to 10%</th>
<th>11 to 20%</th>
<th>21 to 30%</th>
<th>31 to 40%</th>
<th>Above 40%</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Flour</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Spices</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Staples</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FMCG</th>
<th>Up to 10%</th>
<th>11 to 20%</th>
<th>21 to 30%</th>
<th>31 to 40%</th>
<th>Above 40%</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Personal Care</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Home Care</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Processed Food</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. Beverages</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

17. In the private labels, rank your preference among Grocery

a. Flour  
b. Spices  
 c. Staples

18. In private label, rank your preference in FMCG

a. Personal Care  
b. Home Care  
c. Processed Food  
d. Beverages

For Question No 19 put (√) mark

19. Please indicate, the packet size that you normally prefer among:

I. Grocery

<table>
<thead>
<tr>
<th></th>
<th>500gm</th>
<th>1kg</th>
<th>2kg</th>
<th>5kg</th>
<th>10kg</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Flour</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Spices</td>
<td>100gm</td>
<td>200gm</td>
<td>500gm</td>
<td>1kg</td>
<td>2kg</td>
</tr>
<tr>
<td>c. Staples</td>
<td>500gm</td>
<td>1kg</td>
<td>2kg</td>
<td>5kg</td>
<td>10kg</td>
</tr>
</tbody>
</table>

II. FMCG

<table>
<thead>
<tr>
<th></th>
<th>100gm</th>
<th>250gm</th>
<th>500gm</th>
<th>1kg</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Personal Care</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Home Care</td>
<td>100gm</td>
<td>250gm</td>
<td>500gm</td>
<td>1kg</td>
</tr>
<tr>
<td>c. Processed Food</td>
<td>100gm</td>
<td>250gm</td>
<td>500gm</td>
<td>1kg</td>
</tr>
<tr>
<td>d. Beverages</td>
<td>Half Liter</td>
<td>01 Liter</td>
<td>02 Liter</td>
<td>Above 02 Liter</td>
</tr>
</tbody>
</table>
**PART C**

Please show your level of agreement by using (√) mark for the following statements

- 5 - Strongly Agree
- 4 - Agree
- 3 - Neutral
- 2 - Disagree
- 1 - Strongly Disagree

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a. I can recognize private label brands among competing brands</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Private brands have same quality level as that of national brands</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Private labels have excellent packaging</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. Labeling of private labels are attractive like national brands</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>e. Private label offer better value for money compared to national brands</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>f. Private labels are priced low compared to national brands</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>g. Private labels offered by all retail stores are equally good</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>h. Stores located in more urbanized area provide better quality private label</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i. Store located in urban area provide more variety in pack sizes</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>j. Store located in urbanized area offer more product type in Private labels</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>k. I always get the required pack size of private labels</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>l. I always get the required items of Private labels</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>m. The display of private label brands are visible</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>n. Price discounts of private labels is a key reason for purchase</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>o. I spend more time at the area where private labels are displayed</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>p. Store image influence my purchase of private labels</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>q. Store layout can be used to trigger the sales of private label</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>r. In case of grocery, product variety is a major factor in the purchase of private label</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Schedule to Experts

Topic: Marketing of private label in the organized retail sector: A study on Kerala Market with special reference to Grocery and FMCG.

This data collection is undertaken as a part of the research work leading to the award of PhD Degree of Madurai Kamaraj University. I request you humbly to support this work by sharing your valuable opinion.

Thanking you,
Pranath M. K

Part A

1. Identification Number:

2. Work Experience: □ Up to one year
   □ Above one and up to 5 years
   □ Above 5 and up to 10 years
   □ Above 10 years

3. Designation:

4. Store location:
   □ Corporation
   □ Municipality
   □ Panchayath

Part B

Please show your level of agreement by using (✓) mark for the following statements

5. Private label have less visibility compared to national brands
   1. Strongly Agree
   2. Agree
   3. Neutral
   4. Disagree
   5. Strongly Disagree

6. Private label have less brand image compared to national brands

7. Customer perceive low quality in private labels

8. In case of packaging private label are equally competent to national brand

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>Private label have less visibility compared to national brands</td>
<td>□ 1 □ 2 □ 3 □ 4 □ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Private label have less brand image compared to national brands</td>
<td>□ 1 □ 2 □ 3 □ 4 □ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Customer perceive low quality in private labels</td>
<td>□ 1 □ 2 □ 3 □ 4 □ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>In case of packaging private label are equally competent to national brand</td>
<td>□ 1 □ 2 □ 3 □ 4 □ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
9. Consumers perceive private label as value for money products | ☐1 ☐2 ☐3 ☐4 ☐5
10. Multiple unit pricing works well for personal care products | ☐1 ☐2 ☐3 ☐4 ☐5
11. Multiple unit pricing works well for home care products | ☐1 ☐2 ☐3 ☐4 ☐5
12. EDLP is effective for all categories of private labels | ☐1 ☐2 ☐3 ☐4 ☐5
13. Increase in competition reduces the visibility of private label | ☐1 ☐2 ☐3 ☐4 ☐5
14. Size of the store has significant impact on the sale of private labels | ☐1 ☐2 ☐3 ☐4 ☐5
15. Location of the store has significant impact on the private label | ☐1 ☐2 ☐3 ☐4 ☐5
16. Private label get required shelf space at present | ☐1 ☐2 ☐3 ☐4 ☐5
17. POP is an effective in store promotion for private label | ☐1 ☐2 ☐3 ☐4 ☐5
18. In our store private label grab the required visibility from the customers | ☐1 ☐2 ☐3 ☐4 ☐5
19. Celebrity endorsement is an appropriate tool to promote private label | ☐1 ☐2 ☐3 ☐4 ☐5
20. Price discount works well for FMCG private label compared to grocery | ☐1 ☐2 ☐3 ☐4 ☐5
21. Quality discount works well for the FMCG and private label compared to grocery | ☐1 ☐2 ☐3 ☐4 ☐5
22. Coupons helps to get repeat sales for private labels | ☐1 ☐2 ☐3 ☐4 ☐5
23. The loyalty programme used at present are effective to promote private label | ☐1 ☐2 ☐3 ☐4 ☐5
24. The store located in urban area register more sales for private labels in grocery | ☐1 ☐2 ☐3 ☐4 ☐5
25. The store located in urban area register more sales for private labels in FMCG | ☐1 ☐2 ☐3 ☐4 ☐5
26. The physical environment at the store helps to promote private label | ☐1 ☐2 ☐3 ☐4 ☐5
27. Do you feel that private label increases category profitability | ☐1 ☐2 ☐3 ☐4 ☐5
28. Are you of the opinion that private label increases the bargaining power of retailers | ☐1 ☐2 ☐3 ☐4 ☐5
29. Do you feel that private label create consumer loyalty | ☐1 ☐2 ☐3 ☐4 ☐5
30. Rank the following attributes of private label products based on the relative importance in generating sales.

<table>
<thead>
<tr>
<th>Item</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Variety</td>
<td></td>
</tr>
<tr>
<td>Brand Awareness</td>
<td></td>
</tr>
<tr>
<td>Brand Image</td>
<td></td>
</tr>
<tr>
<td>Perceived Quality</td>
<td></td>
</tr>
<tr>
<td>Packaging</td>
<td></td>
</tr>
<tr>
<td>Availability of SKUs</td>
<td></td>
</tr>
</tbody>
</table>

31. In order to improve the sales of grocery private label, rank the following

<table>
<thead>
<tr>
<th>Item</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shelf display</td>
<td></td>
</tr>
<tr>
<td>POPs</td>
<td></td>
</tr>
<tr>
<td>Endorsements</td>
<td></td>
</tr>
<tr>
<td>Price discounts</td>
<td></td>
</tr>
<tr>
<td>Quantity discounts</td>
<td></td>
</tr>
<tr>
<td>Coupons</td>
<td></td>
</tr>
<tr>
<td>Loyalty programme</td>
<td></td>
</tr>
</tbody>
</table>

32. To improve the sales of FMCG private label, rank the following

<table>
<thead>
<tr>
<th>Item</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shelf display</td>
<td></td>
</tr>
<tr>
<td>POPs</td>
<td></td>
</tr>
<tr>
<td>Endorsements</td>
<td></td>
</tr>
<tr>
<td>Price discounts</td>
<td></td>
</tr>
<tr>
<td>Quantity discounts</td>
<td></td>
</tr>
<tr>
<td>Coupons</td>
<td></td>
</tr>
<tr>
<td>Loyalty programme</td>
<td></td>
</tr>
</tbody>
</table>

Part C

Please show your level of agreement by using (✔) mark for the following statements
5- Strongly Agree
4 - Agree
3- Neutral
2 - Disagree
1 - Strongly Disagree
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>33</td>
<td>The issue of Club cards helps to promote sales of private labels</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>34</td>
<td>The issue of privilege coupons helps to promote private label sales</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>35</td>
<td>The slab offers is an effective tool in promoting private label sales</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>36</td>
<td>The combo offer can trigger more private label sales</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>37</td>
<td>The right shelf space allocation is a critical element in marketing private labels</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>38</td>
<td>The compare and buy option is an effective tool used for marketing private label</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>39</td>
<td>The visual merchandising elements is an integral part of promoting private label products</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>40</td>
<td>The concept of shelf owner is a core marketing tool in marketing private labels in the store</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>41</td>
<td>Home delivery is an effective tool in promoting private label products</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>42</td>
<td>The quality and variety of product is an important tool in marketing private labels</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>43</td>
<td>Availability of Stock keeping Units is important in marketing private label</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>44</td>
<td>Attractive packaging plays an important role in marketing private label</td>
<td>☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5</td>
<td></td>
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<td></td>
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</tbody>
</table>
THE CONSUMER PERCEPTION AND RATING OF PRIVATE LABEL
IN THE ORGANIZED RETAIL CHAINS IN KERALA.

Authors:

Prasanth MK
Assistant Professor, Institute of Management and Technology Punnapra, Alappuzha, Kerala
and a PhD Scholar at Madurai Kamaraj University, Madurai.

Dr. J Balan
Associate Professor and Principal in Charge, Madurai Kamaraj University College, Madurai.

Abstract

The time has come where store brands are shaping the future of modern trade outlets in India. The private label brand was introduced as an alternative to national brands. Initially it was positioned as low price and low quality, the own brands have moved a long way in establishing its identity. The store brands are in par with the national brands at least in selected chains and outlets in India in terms of quality and price. The private labels have established lion market share in many parts of the developed world. The present research carried out at the selected retail a chain in Kerala such as More, Spencer and Reliance Fresh analyses the consumer perception and rating of the private labels.

Introduction

The retail sector in India is witnessing unmatched roar even at the time of economic retard. The sector is highly scrappy and consist mainly small, independent and owner-managed shops. The Indian retail industry is one of the fastest budding industries in India, especially over the last few years. It contributes 10 to 11% of the GDP and 8% of employment. The total retail outlet in India is estimated to be 12. The Commercial real estate services company, CB Richard Ellis 'findings state that, India's retail market is currently valued at US$ 511 billion (Bang, 2009). According to the Investment commission of India, India is expected to be among the top 5 retail markets in the world in 10 years. The India's overall retail sector is expected to rise to US$ 833 billion by 2013 and to US$ 1.3 trillion by 2018, at a compound annual growth rate of 10 per cent. As an emerging market with high growth rates, consumer spending has risen sharply as the youth population (more than 33 percent of the country is below the age of 15) has seen a significant increase in its disposable income. The organised retail, which accounts for almost 5 per cent of the market, is expected to grow at a CAGR of 40 per cent from US$ 20 billion in 2007 to US$ 107 billion by 2013. According to a new study by global management consulting firm AT Kearney points out that, in India, apparel, along with food and grocery, will lead organised retailing in India. The India has one of the largest numbers of retail outlets in the world. A report by Images Retail , the number of operational malls to grow more than twofold, further 715 malls to be added by 2015, with major retail developments even in tier-II and tier-III cities in India. Also, according to new market research report by RNCOS titled, "Booming Retail Sector in India", specifies that the number of shopping malls is expected to increase at a
CAGR of more than 18.9 per cent from 2007 to 2015. According to industry experts, the next stage of growth is expected to come from rural markets, with rural India accounting for almost half of the domestic retail market, valued over US$ 300 billion. The private label, the brainchild of the new age MTOs is fast changing the face of retail scenario in all parts of the world.

**Private Label**

A private label is characterized by being a product produced, improved, processed, packed or distributed exclusively by the organization that has the brand control (AC Nielsen, 2002). It can carry the company’s name or use other brands not associated to the company’s name. Still due to these characteristics and their appeals, the market for private label has grown in the last few years. (AC Nielsen, 2004).

**Reasons for the Growth Private Label around the world**

According to Carmen Abril, professor of IE Business School, Spain the reasons driving the private label growth are a) An increased concentration among retailers b) An improved quality perception among consumers c) The rising social acceptance of private labels consumption d) The current economic downturn has further boosted the appeal of private labels because of their price utility and e) The private label helps the retailer for convenient pricing for consumers.

**Private Label India and abroad**

The early growth of private label brands in India has been limited to certain categories like grocery and apparel; it is gradually expanding into other categories as well. Initially the private label brands being developed as a low-priced strategy to compete with national brands. But the situation has been now been changed and now it is in a position to compete with national brands. The store brand grocery items enjoy enormous fame in Europe. In the UK, for example, the volume market share of store brand packaged goods exceeds 35 percent of total sales. In France the giant chain Carrefour has become the industry leader through the strength of its products line of private label brands. In several European countries, store brands have even more prominent market shares, 18-23 percent in France. The steady raise in the tendency toward private labels by retailers makes this subject a centre of interest, particularly in recent years in Turkey. The Switzerland, where 97% of categories had private label entries and Countries such as Germany, Belgium, the UK, and Spain have already surpassed 30%. The organized players in India such as Spencer, Reliance Fresh, Big-Bazar and More area all promoting the private label brands.

**Review of Literature**

Lakshmi Nair, (2011) finds that the national brands are still preferred by consumers over private labels. On the quality front the Indians are still somewhat sceptical about the quality of private label brands and may be because of this reason the penetration of private labels in grocery sector is poor. But when compared to the introductory stage the level of acceptance of private label is high at present. The important factors influencing the purchase of private label brands are perceived quality, accessibility of the product, price charged, and trust in brand, freshness, packaging, availability of alternatives, sales promotion and advertising. The packaging front that perceptions of private labels are most often negative. The two thirds of respondents felt that packaging was unattractive and only one third responded positively with regard to this product characteristic. Moreover, it would appear that the majority of private label packages do not visually display the actual product contents. This may prove detrimental to product sales by failing to
encourage conversion from the mass market. It would therefore seem that attractive packaging is essential to persuade the target market that the core content is of similar quality to other manufacturer brands in that product category. On the Preference of PLBs in various categories, it was found that Cereals, Pulses and spices topped the list of most preferred PLB whereas packaged food was given the second and fruits & vegetables, milk & Milk products, Meat, fish & Poultry and Beverages followed respectively. The factors Influence the purchase of groceries in a supermarket is influenced by a number of factors such as family, friends, sales personnel, in-store, store atmosphere, past experience and advertising. The study also reveals that television, newspapers and pamphlets were the most effective means of communicating the benefits of PLBs to grocery shoppers. Oriah Akir and Md. Nor Othman, (2010) indicate that the majority of the consumers who support the departmental stores, supermarkets, malls and hypermarkets were young executives. The consumers were consistently brand conscious and preferred to buy established brands especially for expensive products. The forces that motivate consumers’ intention to repurchase were driven by established brand names, quality, product information and informational influence from significant others such as friends, spouses, and family members, particularly for high involvement products. For low involvement products consumer repurchase intention were mainly driven by the quality and the price of the products, besides conforming to spouses’ choices. The consumers tend to purchase high involvement products mostly during sales promotion and their purchase decision was partly influenced by advertisements in magazines, catalogues and brochures. The research supported the idea that consumer behavioural theories may be applicable globally but consumers’ tastes, preferences and purchase decisions could be regionally or locally oriented and further influenced by their cultural background and norms. Whether the products that the consumers purchase are low involvement products or high involvement products, prior concerns of the businesses and managers or marketers are: consumers involvement in the purchase process, the importance that they place on certain product attributes and how significantly others influence their decision making process prior to the purchase, after the purchase is completed and the post-purchase behaviour. Justin Beneke, (2010) feels that the quality of private label has increased since introduction and the consumers were confirming that, they have purchased these brands earlier and huge potential is there for private label. The high quality and high prices aren’t strongly associated. It is due to the nature of private label brands which offer favourable quality to consumers and, due to being more competitively priced than mainstream manufacturer brands, offer superior value for money. The clustering of high quality, low quality and low price may be attributed to variability in the market whereby some private label brands offer much better value than others. The consumers used to visit a retail store where their brands of preference were readily available and well stocked. In terms of gender, a marginally greater degree of brand loyalty was observed in females. The decrease in loyalty was evident as monthly income increased. The highest earners were also the least loyal to manufacturer brands. The private label packaging, the product details were not displayed and it will weaken the brand image and ultimately the sales. More over in-store promotion, advertising, packaging, apportioning shelf space and demographic variables have an impact on the purchasing decisions of consumers with regard to private labels. Krishna Mohan Sharma, D.K Dubey and B.D Pandey, (2011) views that the income of consumers and visit to a modern retail is closely related,
there is a strong relationship between locality and awareness, the urban shoppers are much aware of private label in comparison to rural shoppers, the criteria for selection of private label are store image, price and other factors. But among this store image is vital component of selection of private label, the packaging of private label is poor in the eyes of shoppers, there is a big gap between the quality of private label and national brand. Janjaap Semeijn Allard C.R. van Riel, A. Beatriz Ambrosini, (2004) analyses the store image perceptions across chains are a consequence of diversity in retail strategy, store design and commitment to serving customers’ needs. The three store image factors that were taken into account were layout, merchandise and service. The study finds that that the less likely the consumer perceives a certain retailer to be able to produce a specific product, the more likely it is that the consumer develops a negative attitude towards such a product carrying that retailer’s store brand. So it is clear that all retailers were able to neutralize some of the functional risk with their store image, albeit to different degrees. The store image has little influence on perceived functional risk. The research established that public usage of a product reduces the chance that consumers will buy a store brand, due to the lack of quality. Katherine B. Hartman and Rosann L. Spiro, (2005) analyse the impact of store image; customer-based store equity; differential effect; brand knowledge and Customer response towards consumer perception. For building positive store equity two components are store identities and the associations with the store. Building customer-based store equity also involves creating store knowledge with favourable, unique, and strong associations to the store name. Enrique Manzur, Sergio Olavarrrieta, Pedro Hidalgo, Pablo Fárias and Rodrigo Uribe, (2011) analyses whether or not store brands and national brand promotions attract the same section of customers. The similarities and differences in the causes of attitudes toward store brands and national brand promotions. The producer’s of national brands should spotlight their strategies on obtaining consumer loyalty since loyal consumers showed a weaker attitude toward store brands over and above toward promotions of other national brands, which lower the risk of competition from whichever strategy. The impulsivity does not control either attitude. Apart from that the value consciousness has positive influences on both attitudes; the value consciousness has a stronger impact on attitudes towards national brand promotions in comparison with attitudes towards store brands. The strong outcome of buyers attitude toward store brands and national brand promotions we can see that consumers with a higher smart shopper self-perception tend to like national brand promotions more than store brands. Rajesh Rajaguru and Margaret JekanyikaMatanda, (2011) finds that functional attributes and perceived shopping value influences consumer satisfaction and loyalty. The functional attributes are tangibles that influence the consumers purchase motivation and decision making. The consumers’ decision making process depends on the product attributes; quality, price, variety, assortment and value of the products. The utilitarian shopping value reflects the task-related value of a shopping experience and hedonic shopping value reflects the multisensory, fantasy and emotional value received from the shopping experience. The functional attributes facilitate the shoppers’ motive of hedonic and utilitarian value. While international players are planning a foray into India’s retail sector in single brand and multi brand, the Indian retailing sector should pay substantial attention to functional attributes, consumer motives and shopping value. The consumers’ expectations on product quality, assortment and service quality positively influences the perceived
shopping value at supermarket background and negatively influences at traditional retail format context in terms of product quality and service quality. Hans S. Solgaard and Torben Hansen, (2003) points out that price level, collection and location emerge to be the important force for consumers' choice between store formats. The quality and service do not differentiate between formats. The prominent fact for this could be the majority of stores that constitutes the choice set belongs to one of only two supermarket groups, and that there is a reasonably large common set of standardized products and brands between store chains across store formats. When hyper market is situated far away and in the door step the conventional supermarket and discount store are available the shoppers may prefer the later considering the cost of conveyance and travelling time. Richard Volpe, (2011) finds that there is no evidence that increased PL sales, relative to NB sales, increases store performance. Choi and Coughlan, (2006) one of the ways optional to improve quality perceptions of private label brands was through use of feature differentiation. Feature differentiation refers to the degree to which products have different forms, sizes, or packaging. Heiman, (2001) and Baltas, (1997) free-samples is seen to symbolize a relatively low cost means of enhancing perceived quality and store brand equity, converting consumers to store brands and increasing goodwill. The influence of familiarity on choice stresses the importance of marketing activities such as trial packs, free samples etc, so that customers get to know better the store brands. Kirmani, (1990) Kirmani and Wright, (1989) the third alternative available to retailers is to increase advertising budgets. This is in line with evidence that consumer’s perception of quality is directly affected by consumer’s perception of a brand’s advertising expenditure.

Primary Objective.

The primary objective of the present research is to analyse the consumer perception and how the private label products are being rated after its purchase.

Secondary Objective.

- To find out the rating of private label products based on marital status in FMCG and Grocery.
- The role of number of family members in shaping the consumer perception of private label products.
- The perception of male and female with respect to private labels.
- The role of Occupation in rating of private label products.

Scope and Significance of the study

The study covers the daily stores of major retail chain such as Spencer, Reliance Fresh and More in Kerala. The Private labels in two categories such as FMCG and Grocery come under the purview of the study. At present retail revolution is taking place in Kerala market and a new window of opportunity has opened to retailers. So the present study will be an eye opener for all stakeholders in modern retail outlets, since limited studies only took place with regard to private labels.

Research Methodology

Based on the pilot study, the sample size of the research was framed at 755 from customers. The primary data was collected at the exit gate of modern retail outlets of shoppers during the mornings and evenings in any daily supermarket formats (More, Spencer and Reliance Fresh) where respondents were willing to respond. A structured schedule was used to administer the survey. The schedule and the questionnaire are used to describe the form on which the questions are printed. A schedule is one which is handled by the
interviewer. It is different from a questionnaire in such a way that questionnaire is one which is expected to be filled in by the informant. The reason for using schedule in the present research is that, it can provide more accuracy and convenient to the respondents. Based on the predefined quotas, the research endeavoured to obtain a sample which was somewhat representative of supermarket shoppers in the state of Kerala.

Data analysis and Analysis Procedure

On conclusion of the survey the 755 customer schedule were fully analysed. A preliminary check was done in the field to identify and remedy any inconsistencies, omissions or obvious mistakes with the schedule completion. Another check was made to alleviate less glaring errors. The data from the schedule was then captured, cleaned, coded and analysed with SPSS. Finally the data was tested for normality and this was confined to be in order. It was found that in the SPSS, there was less than 0.5 per cent missing value which was replaced with mean values and subsequent to that analysis was conducted. The data was analyzed using statistical package for social science (SPSS V 12.0). Descriptive statistics such as mean and standard deviation were generated to provide an overview of the data. The Chi-square test was used for finding out the association between Marital Status and rating of private label products, association between gender and rating of private label products and association between occupation and rating of private label products. The ANOVA was used for finding significant difference between numbers of family members with respect to consumer perception.

HYPOTHESIS 01

Null Hypothesis: There is no association between Marital Status and Rating of Private labels.

Table 01 Chi-square test for association between Marital Status and Rating of private label products after its purchase.

<table>
<thead>
<tr>
<th>Marital status</th>
<th>Rate the private label products after its purchase</th>
<th>Total</th>
<th>Chi-square Value</th>
<th>P value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Poor</td>
<td>Average</td>
<td>Good</td>
<td>Excellent</td>
</tr>
<tr>
<td>Married</td>
<td>58</td>
<td>142</td>
<td>268</td>
<td>46</td>
</tr>
<tr>
<td></td>
<td>11.3%</td>
<td>27.6%</td>
<td>52.1%</td>
<td>8.9%</td>
</tr>
<tr>
<td>Unmarried</td>
<td>0</td>
<td>63</td>
<td>140</td>
<td>38</td>
</tr>
<tr>
<td></td>
<td>0.0%</td>
<td>26.1%</td>
<td>58.1%</td>
<td>15.8%</td>
</tr>
<tr>
<td>Total</td>
<td>58</td>
<td>205</td>
<td>408</td>
<td>84</td>
</tr>
</tbody>
</table>

Note 1: The value within ( ) refers to row percentage
2: The value within [ ] refers to Column percentage
Since P value is less than 0.01, the null hypothesis is rejected at 1 percent level of significance. Hence concluded that there is association between marital status and rating of the private label products after its purchase. Based on the row and column percentage married people prefer private label more than the unmarried. Moreover the overall ratings of private label products by married and unmarried customers are above average.

HYPOTHESIS 02

Null Hypothesis: There is no significant difference between number of family members with respect to consumer perception.

![Table 02 ANOVA for significant difference between number of family members with respect to consumer perception.](image)

Since P value is less than 0.01, the null hypothesis is rejected at 1 percent level of significance. Hence it is concluded that, there is significant difference between number of family members and their perception with respect to consumer products. Based on Duncan Multiple range test, the perception of consumers with family size of 2 is different than others. This may be due to the fact that when the size of the family is 2, both it is newly married couples or elderly peoples and their perception will be different from the rest of the society.

HYPOTHESIS 03

Null Hypothesis: There is no association between gender and rating of private Label products after its purchase.

![Table 03 Chi-square test for association between gender and rating of private label products after its purchase.](image)
Note 1: The value within ( ) refers to row percentage
Note 2: The value within [ ] refers to Column percentage

Since P value is less than 0.050, the null hypothesis is rejected at 5 percent level of significance. Hence it is concluded that there is association between gender (male and female) and rating of the private label products after its purchase. Based on the row and column percentage majority of the male and female customers rate the private label product as good. Moreover the female customers are considering private label as a value for money product compared to males.

**Null Hypothesis:** There is no association between Occupation and rating of Private label products, after its purchase.

**Table 04 Chi-square test for association between Occupation and Rating of Private label products.**

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Rate the private label products after its purchase</th>
<th>Total</th>
<th>Chi-square Value</th>
<th>P value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Poor</td>
<td>Average</td>
<td>Good</td>
<td>Excellent</td>
</tr>
<tr>
<td>Salaried</td>
<td>16</td>
<td>88</td>
<td>176</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>(5.2%)</td>
<td>(28.4%)</td>
<td>(56.8%)</td>
<td>(9.7%)</td>
</tr>
<tr>
<td></td>
<td>[27.6%]</td>
<td>[42.9%]</td>
<td>[43.1%]</td>
<td>[35.7%]</td>
</tr>
<tr>
<td>Business</td>
<td>7</td>
<td>44</td>
<td>63</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>(5.3%)</td>
<td>(33.6%)</td>
<td>(48.1%)</td>
<td>(13.0%)</td>
</tr>
<tr>
<td></td>
<td>[12.1%]</td>
<td>[21.5%]</td>
<td>[15.4%]</td>
<td>[20.2%]</td>
</tr>
<tr>
<td>Professional</td>
<td>16</td>
<td>23</td>
<td>66</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>(13.3%)</td>
<td>(19.2%)</td>
<td>(55.0%)</td>
<td>(12.5%)</td>
</tr>
<tr>
<td></td>
<td>[27.6%]</td>
<td>[11.2%]</td>
<td>[16.2%]</td>
<td>[17.9%]</td>
</tr>
</tbody>
</table>
Since P value is less than 0.050, the null hypothesis is rejected at 5 percent level of significance. Hence concluded that there is association between occupation of customers and rating of the private label products after its purchase. Based on the row and column percentage majority customers rate the private label product as good. Moreover salaried professional classes rate the private label products as good rather than other classes.

Major Findings

- There is association between marital status and rating of the private label products. The married people prefer private label more than the unmarried. The overall ratings of private label products by married and unmarried customers are above average.

- There is difference between number of family members and their perception with respect to consumer products. The perception of consumers with family size of 2 is different than others.

- There is association between male and female and rating of the private label products after its purchase. The male and female customers rate the private label product as good. But females customers are considering private label as a value for money product compared to males.

- Finally there is association between occupation of customers and rating of the private label products. The majority of customers rate the private label product as good. The salaried professional classes rate the private label products as good rather than other classes.

Conclusion

The brand awareness perceived quality, service level, store layout, price discounts, shelf display etc; affect the consumer perception of private labels. The marketer while formulating marketing strategies will have to take into consideration these vital aspects. A good perception can lead to potential purchase and re-purchase of store brands.
References


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A Study On The Consumption Pattern Of Private Labels In Kerala With Reference Grocery And FMCG.

Prasanth MK, Dr. J Balan

Abstract: - The store brands, otherwise known as private labels, are changing the future of modern trade outlets in India. Started on a low key profile, such as low price, low quality and limited movement, the store brands have gone a long way in establishing its credentials. The store brands are in par with the national brands at least in selected chains and outlets in India in terms of quality and price. The private labels have 50% or more than 50% market share in many parts of the developed world. The private labels are pervasive in personal care, home care, processed food, groceries and consumer durables etc. The present research was carried out at the selected retail a chain in Kerala such as More, Spencer and Reliance Fresh finds that, the married and un-married, age group and based on the level of education consumption will be different for Flour in Grocery and Personal care in FMCG.

Index Terms: - Consumption pattern, FMCG, Generic, Grocery, National brands, Private brands, Retail chains.

Introduction

The Indian retail industry is the fifth largest in the world and the sector can be classified as organized and unorganized sectors. The organized retailing in India is still at a nascent stage and private labels occupy less than 5 percent of the total Indian market. Traditionally, the Indian retail industry has been dominated by unorganized local players, with consumers shopping at mom-and-pop operations, roadside markets, and small grocery stores for their daily needs. The consumers remain loyal to neighbourhood vendors, who offer more than just goods by connecting with their customers on a personal level. The neighbourhood vendors are simply more familiar to locals and are recognized as part of the community; these vendors also extend credit to those in need and offer home delivery. In many areas of India, there are powerful bonds between neighbourhood vendors and their loyal local customers. The retail sector in India is on boom and the industry is expected to grow at rapidly of 25-30% annually. While an estimated 85 percent of retail outlets continue to operate in these traditional formats, the last few years has seen a rise in modern retail formats such as hypermarkets, department stores, multi-storied malls, and specialty stores particularly in urban and semi-urban areas. All the leading modern trade outlets have introduced store brands which used to compete with national brands.

Private Label

According to Batlas, (1997) store brands or private label brands are brands owned, controlled, and sold exclusively by a retailer.

The Private Label Manufacturer's Association (PLMA) categorizes PL manufacturers into 4 main categories;

a) Large national brand manufacturers that utilize their expertise and excess plant capacity to supply store brands.
b) Small, quality manufacturers who specialize in particular product lines and concentrate on producing store brands
c) Major retailers and wholesalers that own their own manufacturing facilities and provide store brand products for themselves.
d) Regional brand manufacturers that produce private label products for specific markets.

Generation Model

Laaksonen and Reynolds, (1994) suggest four generations of retail brands. This model presents the basics of the private label theory. It shows, in a clear way, the different generations of private labels and why they are divided into the suggested generations. The model is;

Generic brands are the simplest type of brands, often nameless, basic and functional products. Lower quality and inferior image compared to the manufacturers’ are characteristics for this category. The low price is the main criterion for purchasing.

Quasi-brand/own label is a retailer’s own brand, often related to the retailer’s name. The quality of the products are improved, but are still perceived as lower than leading manufacturers’ brands. The competitive advantage is providing a better value product (quality/price).

Own brand is what the retailers apply to products that have comparable quality to the brand leaders. Own brands either bear the same name as the retailer, or a new innovative name. The objective for these products is to imitate the traditional brand leaders. These products constitute so called me-too-products. The image of own brands shows

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the same perceived quality, but the price is strategically set slightly under the brand leaders.

Extended own brand (premium private brand) is a more sophisticated form of the third generation brand. This category of products is exclusively offered by a certain retailer. These brands can, by price and quality, compare themselves to the brand leaders. The objective for these products is to create a value, besides high quality and good price, for the customer.

International private label.
The international private labels can be recognized as being of better quality than local private labels. Batra, (2000) international private labels have an inherent cosmopolitan image, they will be deemed more inspirational, desirable and appealing with higher prestige than local private labels. The international private labels can be counted better leading brands than local private labels. The international labels would like to promote their cosmopolitan image so as to generate greater receptivity to their products which are of foreign origin. The consuming international private label products can be associated with more sophisticated personalities than local private label products. That is, the brand personality of international private labels will be perceived superior to local private labels.

Growth of Private Label in India.
The emergence of organized retailing in India has made private labels a reality. Though, initial growth of private label brands in India has been limited to certain categories like grocery and apparel, it is slowly expanding into other categories as well. The Indian retail market is the fifth largest retail destination globally and has been considered the most attractive emerging market for investment. Overall, the Indian retail market is growing at 30% annually, with the organized segment, which currently accounts for around 9% of the Indian retail market, registering above average growth of 30% (Report on Indian retail industry by Cygnus, 2010). Thus, with growth of organized retail in India, the private label brands are also expected to grow. The growth of private label brands in India has been limited to certain categories like grocery and apparel; it is expected to expand into many other categories as well. The private label brands and quality perceptions initially, private label brands developed a low-priced strategy to compete with national brands. They aimed at attracting low-income consumers who were price-conscious. The observed evidence for popularity of low-priced strategy of private labels came from studies which indicate that the private label strength of brands varied with economic conditions.

Review of Literature.
Hsin Kuang Chi, Huery Ren Yeha and Ya Ting Yang, (2009) reveals that brand identity and brand recall are positively related to purchase intention. The consumers will buy a familiar and well known product. The higher the brand awareness, the higher the purchase intention. In addition, the study reveals that action loyalty and emotional loyalty are positively related to purchase intent. The brand loyalty represents a repurchase promise in the future that consumers will not change their brand loyalty under different situations and still buy their favourite brands. The brand awareness is considerably and positively related to perceived quality. The brand awareness is positively and significantly related to brand loyalty. The brand loyalty is positively and significantly related to perceived quality. The perceived quality and brand loyalty act as a mediator between brand awareness and purchase.

Swaroop Chandra Sahoo and Prakash Chandra Dash, (2010) states that the Indian consumers wish to get the best price for the products they buy. The Indian consumers check and compare the best price for the products they buy. They even used to go more than one store to get the lowest price. The gender, age, education and marital status have no significant impact on price consciousness and only monthly income has impact on price consciousness. The Indian consumers purchase in shopping malls for enjoyment. On the other side, Indian consumers are driven by novelty products. The variety seeking consumers even if they are satisfied with the present brand may switch over to other brand for better satisfaction. This is being done to increase stimulation by bringing something new to their life. In conclusion the decision making styles adopted by the Indian consumers are price consciousness, quality consciousness, recreational, confused by over choice, novelty consciousness and variety seeking. The average Indian consumers are not highly concerned with the brand but were price and quality conscious. It is found that the single consumers are more price consciousness than married consumers. The above factors suggest that decision making information on consumer’s decision making style will be useful for retailers targeting Indian markets. The profiling of consumers by combining their decision making style and demographic variables provide ways identify and understand various consumer segments and target that segment with more focussed marketing strategies.

Gopal Das, (2011), on the question of whether demographic parameters have any impact on sales promotion it is found that demographic parameters have no impact on sales promotion. There are various reasons for the purchase of a product. The consumers purchase somewhat more than the regular purchase when promotions are made. The store location, loyalty does not play a major role in purchase decision making when promotional offer is concerned. So the promotions may have an influence on the consumer behaviour in spite of location dis-advantages.

Stephen J Hoch and Shumeet Banerji, (1993) found that private labels perform in large categories offering high margins. The private labels also perform well when the manufactures of National Brands spend less on advertising. More over now a day, the consumers believe that the quality aspect is more important than the price. One of the interesting phenomena concerning PLBs is that its growth has been highly uneven across product categories The main objective of the study by using both primary and secondary data was to examine the relationship between the private label market share and the consumer, retailer and manufacturer related variables while controlling the impact of private label availability. The nine variables that were identified and could potentially account for private
label success are quality of the private label, quality variability of the private label, category gross margin, category retail sales, level of price discount of private labels of national brands, number of national manufactures in the category, amount of national advertising per manufacturer, item proliferation and promotion intensity. The major determinants of private label success identified from consumers, retailers and National Manufactures perspective were product quality, quality consistency-(consumers perspective), category retail sales, category gross margin (retailers perspective), number of national manufactures and National advertising per manufacturer (national manufactures perspective).

Rajeev Batra and Indrajit Singha(2000) analyses various factors that helped to explain variations in purchasing preferences for national brands versus private label brands. The consumer perceptions of the consequences of making a purchasing mistake in a category, the level of quality variation in that category, the search versus experience nature of the category’s characteristics and the degree of consumer’s price consciousness in the category. The consequences of making a purchase mistakes are higher, when the different brands in the category are seen as differing appreciably in quality. The Private label brand buying increases as the “consequences of making a purchasing mistake declines. To have an edge in the market for the national brand, it has to highlight the trustworthiness it offers to consumers when compared with private label brands.

Sanjay K Dhar and Stephen J Hoch, (1997) the variation in store brand performance across retailers is systematically related to underlying consumer, retailer, and manufacturer factors. The store brands are the only brand which the retailer takes the all responsibility from the development to the marketing stage. But in case of national brands the responsibility rest with the manufactures., the commitment to quality, breadth of private label offerings, use of own name for private label, a premium brand offering the extent to which the retailer serves a customer base containing less wealthy and more elderly households and operates in less competitive markets improves the performance of the store brand. The everyday low price positioning helps the store brand only in lower quality categories where the value positioning of the store may be better aligned with the price advantage of the store brand. The over emphasis to national brands to attract customer traffic has to be nullified with added quality in store brands. The price difference between national brand and store brand will have an impact on store brand performance.

Manyu Huang and Kevin E. Voges, (2011) demonstrate that customers with higher price sensitivity are more likely to purchase private brand. The lower price seems to be the main advantage for private brand commodities, which gives the advantage when they introduce these commodities. The differences in perceived quality between private brands and manufacturer brands are small for consumers who purchase private brand commodities.

L.E. Wells, H. Farley and G.A. Armstrong, (2007) states that there was no dominant style of purchasing behaviour evident. The number of consumers who were making a planned purchase for a specific occasion bought premium own-label as they could be “reassured the product they were serving was a high quality. Moreover, this type of consumer displayed a high level of brand loyalty towards premium own-label. Interestingly, a planned purchase very often coincided with a repeat purchase, especially those buying for a special occasion. The point of purchase” buying was readily practiced by shoppers. The store environment and highly visible products have the ability to attract the customers with the option of delaying decision-making until they are in store. The customers, who were restricted with their shopping time, relied heavily on external attributes, especially visual information.

Cella Gonzalez Mieres, Ana Maria Diaz Martin and Juan Antonio Trespalacios Gutierrez, (2005) view a series of variables relating to purchasing behaviour, in which the difference in the risk that consumers perceive between store brands and national brands is explained. The experience with a product category on the importance of considering the relationships between this variable and the rest of those included in the proposed model has become clear since the indirect effects are those which justify its consideration as an important factor when analyzing the difference in perceived risk between store brands and national brands.

Swani, Kunal and Boonghee Yoo, (2010) on interactions between Price and Price Deal explain the impact of price and the price deal on purchase behaviour. There two types of products based on price, they are high-priced brands and low-priced brands. The high-priced brands are brands perceive image as a key factor. The consumers of these brands frequently purchase them mostly for image and are willing to pay a premium price for their apparent high quality and status, which make them price-inelastic. The low-priced brands tend to be purchased for utilitarian value, with the consumer relying on the perceived value for price. The consumers look for low prices of these brands or substitutes to get the best value.

Primary Objective
To analyse the consumption pattern of private label in Kerala with reference to Flour in Grocery and Personal care in FMCG.

Secondary Objective
- To find out the consumption pattern of married and un-married with respect to FMCG and Grocery.
- To examine whether age group has any role with respect to the consumption pattern.
- To analyse the impact of educational qualification on the consumption pattern of FMCG and Grocery.

Scope and Significance of the study
The study covers the daily stores of major retail chain such as Spencer, Reliance Fresh and More in Kerala. The Private labels in two categories such as Flour in Grocery and Personal Care in FMCG comes under the purview of the study. At present, India is reeling under the blow of...
retail revolution which is changing the landscape of this country. More and more employment opportunities and infrastructure is shaping up in the retail sector. The study is significant as limited studies were only carried out in the state of Kerala with respect to consumption pattern in organized chains with respect to private labels.

**Research Methodology**

Based on the pilot study, the sample size of the research was framed at 755 from customers. The primary data was collected at the exit gate of modern retail outlets of shoppers during the mornings and evenings where respondents were willing to respond. One structured schedule was used to administer the survey. The schedule and the questionnaire are used to describe the form on which the questions are printed. A schedule is one which is handled by the interviewer. It is different from a questionnaire in such a way that questionnaire is one which is expected to be filled in by the informant. The reason for using schedule in the present research is that, it can provide more accuracy and convenient to the respondents. Based on the predefined quotas, the research endeavoured to obtain a sample which was somewhat representative of supermarket shoppers in the state of Kerala.

**Data analysis and Analysis Procedure**

On conclusion of the survey the 755 customer schedule were fully analysed. A preliminary check was done in the field to identify and remedy any inconsistencies, omissions or obvious mistakes with the schedule completion. Another check was made to alleviate less glaring errors. The data from the schedule was then captured, cleaned, coded and analysed with SPSS. Finally, the data was tested for normality and this was confined to be in order. It was found that in the SPSS, there was less than 0.5 per cent missing value which was replaced with mean values and subsequent to that analysis was conducted. The data was analyzed using statistical package for social science (SPSS V 12.0). Descriptive statistics such as mean and standard deviation were generated to provide an overview of the data. The t test was used to find out the significant difference between married and unmarried with respect to dimension of consumption pattern and age group with respect to consumption pattern of Flour in Grocery and Personal Care. The ANOVA was used to find out the significant difference between Educational Qualification with respect to consumption pattern in Flour and Personal Care.

**Result and Discussion**

**HYPOTHESIS 01**

*Null Hypothesis:* There is no significance difference between married and unmarried with respect to consumption pattern of Flour and Personal Care.

**Table 01: t test for significant difference between married and unmarried with respect to consumption pattern of Flour and Personal Care.**

<table>
<thead>
<tr>
<th>Consumption</th>
<th>Marital status</th>
<th>t value</th>
<th>P value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Married (Mean)</td>
<td>Unmarried (Mean)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(SD)</td>
<td>(SD)</td>
<td></td>
</tr>
<tr>
<td>Flour (Grocery)</td>
<td>6.06</td>
<td>7.05</td>
<td>5.661</td>
</tr>
<tr>
<td>Personal Care (FMCG)</td>
<td>6.52</td>
<td>8.11</td>
<td>9.867</td>
</tr>
<tr>
<td>Over role consumption of Flour and Personal Care</td>
<td>12.58</td>
<td>15.16</td>
<td>9.476</td>
</tr>
</tbody>
</table>

*Note:* ** denotes significant at 1 % level.

Since P value is less than 0.01, the null hypothesis is rejected at 1 percent level of significance. Hence it is concluded that there is significant difference between married and unmarried with respect to consumption pattern of Flour and Personal Care. Mean level consumption of Flour and FMCG of unmarried is more as compared with married. This may be due to the fact that they are in an un-divided family and the un-married is taking care of the entire family needs. In such a case the family budget will be more for consumption. But after the marriage, it is expected that a nuclear family will come into existence of the spouse and the consumption pattern will decrease.

**HYPOTHESIS 02**

*Null Hypothesis:* There is no significant difference between age group with respect to consumption.

**Table 02: t test for significant difference between age group with respect to overall consumption.**

<table>
<thead>
<tr>
<th>Age group in Years</th>
<th>Mean</th>
<th>SD</th>
<th>t value</th>
<th>P value</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-30</td>
<td>11.00</td>
<td>0.71</td>
<td>7.119</td>
<td>0.000**</td>
</tr>
<tr>
<td>Above 30</td>
<td>12.35</td>
<td>1.25</td>
<td>5.668</td>
<td>0.000**</td>
</tr>
</tbody>
</table>

*Note:* ** Denotes significant at 1 % level

Since P value is less than 0.01, the null hypothesis is rejected at 1 percent level of significance. Hence concluded that there is significant difference between age group with respect to overall consumption. Mean level of consumption of shoppers of private label in the age group above 30 are better than those in the age group of 18-30. It may be due to the fact that in the late thirties, one used to marry and after...
the marriage, a new family comes into picture. As a consequence of the family, the quantity as well as the cash budget will be altered. In order to strictly adhere to the budget, compromise will be made as a mean of opting private brands against national brands for economy.

**HYPOTHESIS 03**

**Null Hypothesis:** There is no significance difference between educational qualifications of consumers with respect to consumption of Flour and Personal Care.

Table 03: ANOVA for significant difference between Educational Qualification with respect to consumption pattern of Flour and Personal Care.

<table>
<thead>
<tr>
<th>Consumption pattern</th>
<th>Educational Qualification</th>
<th>F value</th>
<th>P Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flour in Grocery</td>
<td>Upto SSLC</td>
<td>6.66ab</td>
<td>0.000**</td>
</tr>
<tr>
<td></td>
<td>HSC</td>
<td>6.79b</td>
<td></td>
</tr>
<tr>
<td></td>
<td>UG</td>
<td>6.04a</td>
<td></td>
</tr>
<tr>
<td></td>
<td>PG</td>
<td>6.23ab</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Professional</td>
<td>7.48c</td>
<td></td>
</tr>
<tr>
<td>Personal Care in FMCG</td>
<td>Upto SSLC</td>
<td>6.38a</td>
<td></td>
</tr>
<tr>
<td></td>
<td>HSC</td>
<td>6.09a</td>
<td></td>
</tr>
<tr>
<td></td>
<td>UG</td>
<td>7.19b</td>
<td></td>
</tr>
<tr>
<td></td>
<td>PG</td>
<td>8.05c</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Professional</td>
<td>7.07b</td>
<td></td>
</tr>
<tr>
<td>Flour and Personal Care</td>
<td>Upto SSLC</td>
<td>13.03a</td>
<td></td>
</tr>
<tr>
<td></td>
<td>HSC</td>
<td>12.88a</td>
<td></td>
</tr>
<tr>
<td></td>
<td>UG</td>
<td>13.23a</td>
<td></td>
</tr>
<tr>
<td></td>
<td>PG</td>
<td>14.28ab</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Professional</td>
<td>14.54b</td>
<td></td>
</tr>
</tbody>
</table>

Note: ** denotes significant at 1% level.

Since P value is less than 0.01, the null hypothesis is rejected at 1 percent level of significance. Hence it is concluded that there is a significant difference between educational qualifications of buyers with respect to consumption pattern. Based on Duncan Multiple range test the consumption pattern of Flour of buyers of professional class is different than other educational classes. But the consumption pattern of Personal care of buyers who basic qualification up to HSC are same and also the consumption pattern of UG and professional classes are same. This may be due to the fact that in case of personal care when education changes, the level of awareness and outlook may change and it will have an impact on purchasing behaviour.

**Findings.**

- The Consumption pattern of married and unmarried is totally different with respect to Flour in Grocery and Personal Care in FMCG.
- The age group has a significant impact on consumption pattern of private labels in Kerala.
- The educational qualification of buyers is another important factor which affects consumption pattern of private label.

**References**


THE CONSUMPTION PATTERN OF PRIVATE LABELS IN KERALA

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ABSTRACT

The private labels are popular among shoppers of modern trade outlets. The store brands are used to compete with the national brands. The national brands were superior to private brands at the initial stages. But the situation has changed over a period of time and the private labels are equally competent to compete with national brands. The retail chains used to promote the store brands as it yields them more category profitability and other benefits. The present research was carried out at the selected retail chains in Kerala such as More, Spencer and Reliance Fresh. The study observes that the private label consumption in Grocery and FMCG are different.

KEYWORDS: Private Labels, Consumption pattern, brands.

INTRODUCTION

The Indian retail sector can be classified as organized and unorganized. The organized retail in India accounts for around 5% of the Indian retail market. It contributes 10 to 11% of the GDP and 8% of employment. As per the KPMG report on Consumer Markets in India, the organized retail currently accounts for only three to four percent of the retail market in India (US$ 350 billion). The sector amounts to $180 billion market and is six times bigger than that of Thailand and four to five times bigger than that of South Korea and Taiwan. The Indian retail industry has been dominated by unorganized local players, with consumers shopping at Kirana and roadside markets for their daily needs. The consumers remain loyal to neighbourhood vendors, who offer more than just goods by connecting with their customers on a personal level. In many areas of India, there are powerful bonds between neighbourhood vendors and their loyal local customers. Private labels are children of big organized retail players such as More, Reliance Fresh, Spencer, Nilagiris and Big-Bazar etc.

Private label
A private label can be defined as a brand name owned by a retailer or wholesaler for a line or a variety of items under controlled exclusive distribution (Euro monitor, 1998). According to Hakansson, (2000) different kinds of private labels are

a) Store brands - The retailer's name is very evident on the packaging.
b) Store sub-brands - Products where the retailer's name is low-key on the packaging.
c) Umbrella branding - A generic brand, independent
from the retailer name. 
d) Individual brands - A name used in one category, this is only used to promote a "real “discount product line. 
e) Exclusive brands - Again a name used in one category, but to promote "added value” products within the category.

Role of private labels

Private label helps to earn more profit for intermediaries. The intermediaries search for organizations having extra capacity produce private labels at a low cost. More over research and development, advertising, sales promotion and physical distribution are much lower in case of private labels. So private labels can be sold at a lower price and can generate more profit (since the cost of production will be low, the product can be priced at a lower price). This will help the consumers in getting the product at a lower price and also the intermediaries.

International private label and Growth of Private Label in India

Blois, (2000) and Hsieh, (2004) the international private labels firms usually spend much on advertising and promotional campaigns across international frontiers and consequently are more available and recognized in multiple countries.Yeoh, (2004) under such a situation international firms are likely to be perceived better introducing reliable products. The international private labels can be recognized as being of better quality than local private labels.Batra,(2000), international private labels have an intrinsic cosmopolitan picture, they will be deemed more rousing desirable and appealing with elevated reputation than local private labels. The international private labels can be counted better leading brands than local private labels. The international labels would like to promote their cosmopolitan image so as to generate greater receptivity to their products which are of foreign origin .Based on the earlier logic; it is rational to declare that consuming international private label products can be related with more classy personalities than local private label products. The brand personality of international private labels will be perceived superior to local private labels. The materialization of organized retailing in India has made private labels a reality .Even if early growth of private label brands in India has been restricted to certain categories like grocery and apparel; it is slowly expanding into other categories as well.

Review of Literature

Manyu Huang and Kevin E. Voges, (2011) demonstrate that customers with higher price sensitivity are more likely to purchase private brand groceries and commodities. The lower price seems to be the main advantage for private brand commodities, which gives the advantage when they introduce these commodities. The differences in perceived quality between private brands and manufacturer brands are small for consumers who purchase private brand commodities. Rui Hua Huang and John Dawes views that cheaper private labels and national brands are reasonably more popular among households with more people and in lower social class. The expensive brands appeal comparatively more to the buyers in a higher social class. The deviations among within-demographic market shares propose that some price-based segmentation does exist in grocery markets – across private labels and manufacturers’ brands. The study incorporates the two variables notably, market share – penetration and purchase weight. The research reveals some segmentation, it also shows that higher priced or lower priced brands are not ‘cut off” from certain parts of the market. It also highlights that mass appeal is still needed to be a big brand. Chandon Jean Louis, Diallo
Mbaye-Fall and Philippe Jean,(2011) on conceptual model of the determinants of private label brands choice analyses the factors affecting the private label choice, states that not only perceptual value consciousness, smart shopper self perception, perceived quality and attitude towards private label brands but they are also in relation with store image perceptions and private label brand price-image perceptions. The present study confirms that the value consciousness has no significant effect on private label brand purchase intention but only a direct effect on private label brand choice. Karsten Hansen, Vishal Singh, Pradeep Chintagunta, (2003) understanding store brand purchase behaviour across categories analyses whether store brand preference is category specific or a general. The two factors were identified in the research were the store brand factor and the price factor. The first factor affects store brand preferences and the second price sensitivities.Hsin Kuang Chi, Huery Ren Yeha and Ya Ting Yang, (2009) analyses, the influences of brand awareness, perceived quality, and brand loyalty on purchase intention effect, the effect of perceived quality on brand loyalty, whether perceived quality mediates the relations between brand awareness and purchase intention, and whether brand loyalty mediates the relations between brand awareness and purchase intention. The findings reveals that brand identity and brand recall are positively related to purchase intention. The consumers will buy a familiar and well know product .The higher the brand awareness, the higher the purchase intention. In addition, the study reveals that action loyalty and affective loyalty are positively related to purchase intent. The brand loyalty represents a repurchase promise in the future that consumers will not change their brand loyalty under different situations and still buy their favourable brands.

Swani, Kunal and Boonghee Yoo, (2010) on interactions between Price and Price Deal explain the impact of price and the price deal on purchase behaviour. There two types of products based on price, they are high-priced brands and low-priced brands. The high-priced brands are brands perceive image as a key factor. The consumers of these brands frequently purchase them mostly for image and are willing to pay a premium price for their apparent high quality and status, which make them price-inelastic. The low-priced brands tend to be purchased for utilitarian value, with the consumer relying on the perceived value for price.

Stephen J Hoch and Shumeet Banerji, (1993) found that private labels perform in large categories offering high margins. The private labels also perform well when the manufactures of National Brands spend less on advertising. More over now a days the consumers believe that the quality aspect is more important than the price. One of the interesting phenomena concerning PLBs is that their growth has been highly uneven across product categories The main objective of the study by using both primary and secondary data is to examine the relationship between the private label market share and the consumer, retailer and manufacturer related variables while controlling the impact of private label availability. The nine variables that were identified and could potentially account for private label success are quality of the private label, quality variability of the private label, category gross margin, category retail sales, level of price discount off private labels of national brands, number of national manufactures in the category, amount of national advertising per manufacturer, Item proliferation and promotion intensity. The major determinants of private label success identified from consumers, retailers and National Manufactures perspective are product quality, quality consistency- (consumers perspective) ,category retail sales, category gross margin(retailers perspective),number of national manufactures and National advertising per manufacturer (national manufactures perspective).Rajeev Batra and Indrajit Singha, (2000) analyses the various factors that helped to explain variations in purchasing preferences for national brands versus private label brands. The consumer perceptions of the consequences of making a purchasing mistake in a category, the level of quality variation in
that category, the search versus experience nature of the category’s characteristics and the degree of consumer’s price consciousness in the category. The consequences of making a purchase mistakes are higher when the different brands in the category are seen as differing appreciably in quality. The Private label brand buying increases as the “consequences of making a purchasing mistake declines. To have an edge in the market for the national brand it has to highlight the trustworthiness it offers to consumers when compared with private label brands. Sanjay K Dhar and Stephen J Hoch, (1997) the variation in store brand performance across retailers is systematically related to underlying consumer, retailer, and manufacturer factors. The store brands are the only brand which the retailer takes the all responsibility from the development to the marketing stage. But in case of national brands the responsibility rest with the manufactures., the commitment to quality, breadth of private label offerings, use of own name for private label, a premium brand offering the extent to which the retailer serves a customer base containing less wealthy and more elderly households and operates in less competitive markets improves the performance of the store brand. The everyday low price positioning helps the store brand only in lower quail categories where the value positioning of the store may be better aligned with the price advantage of the store brand. The over emphasis to national brands to attract customer traffic has to be nullified with added quality in store brands. The price difference between national brand and store brand will have an impact on store brand performance. Manyu Huang and Kevin E. Voges, (2011) demonstrate that customers with higher price sensitivity are more likely to purchase private brand. The lower price seems to be the main advantage for private brand commodities, which gives the advantage when they introduce these commodities. The differences in perceived quality between private brands and manufacturer brands are small for consumers who purchase private brand commodities.L.E. Wells, H. Farley and G.A. Armstrong, (2007) states that there was no dominant style of purchasing behaviour evident. The number of consumers who were making a planned purchase for a specific occasion bought premium own-label as they could be “reassured the product they were serving was a high quality. Moreover, this type of consumer displayed a high level of brand loyalty towards premium own-label. Interestingly, a planned purchase very often coincided with a repeat purchase, especially those buying for a special occasion. The point of purchase” buying was readily practiced by shoppers. The store environment and highly visible products have the ability to attract the customers with the option of delaying decision-making until they are in store. The customers, who were restricted with their shopping time, relied heavily on external attributes, especially visual information.

Objective

- To examine the role of occupation with respect to spending at the organized retail chains.
- To find out the private label preference in Grocery, Home Care and Processed Food.
- To analyse, whether there is any difference in the consumption pattern of private label with respect to married and un-married.
- To analyse the relationship between time spend and purchase of private label.

Scope and significance of the study

The study covers the daily stores of major retail chain such as Spencer, Reliance Fresh and More in Kerala. The Private labels in two categories such as Staples in Grocery and Home
Care and Processed in FMCG come under the purview of the study. The study is significant as limited studies were only taken place in private labels in Kerala with respect to consumption pattern and it will be an eye opener for all the retail chains in Kerala.

**Research Methodology**

Based on the pilot study, the sample size of the research was framed at 755 from customers. The primary data was collected at the exit gate of modern retail outlets of shoppers during the mornings and evenings where respondents were willing to respond. One structured schedule was used to administer the survey. The schedule and the questionnaire are used to describe the form on which the questions are printed. A schedule is one which is handled by the interviewer. It is different from a questionnaire in such a way that questionnaire is one which is expected to be filled in by the informant. The reason for using schedule in the present research is that, it can provide more accuracy and convenient to the respondents. Based on the predefined quotas, the research endeavoured to obtain a sample which was somewhat representative of supermarket shoppers in the state of Kerala.

**Analysis Procedure**

The data was analyzed using statistical package for social science (SPSS V 12.0). Descriptive statistics such as mean and standard deviation were generated to provide an overview of the data. Kruskal-Wallis to examine the role of occupation with respect to spending at the organized retail chains, Friedman test to find out the private label preference in Grocery and the impact of time spend for purchase of private labels and t test for consumption pattern of private label with respect to married and un-married.

**Result and Discussion**

**HYPOTHESIS 1**

*Null Hypothesis:* There is no significant difference between mean ranks towards occupation of customer with respect to percentage spending in Grocery.

**Table 01 Kruskal-Wallis Test for significant difference between mean ranks towards occupation of customer with respect to percentage spending in Grocery.**

<table>
<thead>
<tr>
<th>Occupation of the customer</th>
<th>Mean Rank</th>
<th>Chi square Value</th>
<th>P Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daily Wages</td>
<td>42.67</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaried</td>
<td>46.42</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business</td>
<td>72.20</td>
<td>11.548</td>
<td>0.009**</td>
</tr>
<tr>
<td>Professional</td>
<td>53.83</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: ** denotes significant at 1 % level.

Since P value is less than 0.01, the null hypothesis is rejected at 1 percent level of significance. From the table it is clear that the mean rank towards business and professionals
are more with respect to percentage spending in grocery in an organized retail sector. This may be due to the fact that business and professionals are depending on organized retail rather than anybody for purchase of essential items.

**HYPOTHESIS 02**

*Null Hypothesis:* There is no significant difference between mean rank towards preference of Grocery and FMCG.

**Table 02 Friedman test for significant difference between rank towards Grocery and FMCG**

<table>
<thead>
<tr>
<th>Various items in Grocery and FMCG</th>
<th>Mean Rank</th>
<th>Chi-Square value</th>
<th>P value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preference of Staples in Grocery</td>
<td>1.28</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preference of Home Care in FMCG</td>
<td>2.30</td>
<td>599.984</td>
<td>0.000**</td>
</tr>
<tr>
<td>Preference of Processed Food in FMCG</td>
<td>2.43</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: ** denotes significant at 1 % level.
* denotes significant at 5 % level.

Since P value is less than 0.01, the null hypothesis is rejected at 1 percent level of significance. Hence concluded that, there is significant difference between mean ranks towards various items in Grocery and FMCG. Based on mean rank within the FMCG, more preference for private labels in Home Care than Processed Food. But the mean rank of Grocery is more than FMCG. It may be due to the fact that, the consumers are more brand conscious in FMCG than Grocery.

**HYPOTHESIS 03**

*Null Hypothesis:* There is no significant difference between married and unmarried with respect to dimension of consumer consumption in Grocery and FMCG.

**Table 03 t test for significant difference between married and unmarried with respect to dimension of consumer consumption in FMCG and Grocery.**

<table>
<thead>
<tr>
<th>Consumer consumption</th>
<th>Married</th>
<th>Unmarried</th>
<th>t value</th>
<th>P value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
<td>SD</td>
<td>Mean</td>
<td>SD</td>
</tr>
<tr>
<td>Staples in Grocery</td>
<td>26.45</td>
<td>3.78</td>
<td>27.95</td>
<td>4.04</td>
</tr>
<tr>
<td>Home Care in FMCG</td>
<td>21.68</td>
<td>3.95</td>
<td>23.31</td>
<td>3.48</td>
</tr>
<tr>
<td>Processed Food in FMCG</td>
<td>10.84</td>
<td>1.87</td>
<td>10.34</td>
<td>2.14</td>
</tr>
<tr>
<td>Over role Consumer Consumption</td>
<td>58.98</td>
<td>7.48</td>
<td>61.60</td>
<td>6.59</td>
</tr>
</tbody>
</table>

Note: ** denotes significance at 1 % level.
Since P value is less than 0.01, the null hypothesis is rejected at 1 percent level of significance. Hence it is concluded that there is significant difference between married and unmarried with respect to overall consumer consumption. The Mean level consumption of unmarried is more as compared with married with respect to staples in Grocery and Home Care in FMCG. But in case of processed Food, the mean level consumption is more for married than unmarried. This may be due to the fact that, after the marriage the outlook of an individual is changed and the additional responsibility of taking care of spouse and future an obligation changes the mindset.

**HYPOTHESIS 04**

*Null Hypothesis:* There is no significant difference between mean ranks towards time spent by the customer at the organized retail outlet.

**Table 6 Friedman test for significant difference between mean ranks towards time spent by the customer at the organized retail outlet.**

<table>
<thead>
<tr>
<th>Time spent at the retail outlet</th>
<th>Mean Rank</th>
<th>Chi-square Value</th>
<th>T value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of spending – Staples</td>
<td>2.67</td>
<td>129.405</td>
<td>0.000**</td>
</tr>
<tr>
<td>Percentage of spending – Processed Food</td>
<td>1.19</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percentage of spending – Home Care</td>
<td>2.15</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: ** denotes significance at 1 % level.

Since P value is less than 0.01, the null hypothesis is rejected at 1 percent level of significance and hence it is concluded that, there is significant difference between mean ranks towards the time spent by the customer at the organized retail outlet. From the table it is clear that in the organized retail sector, the customer spends more time in purchasing Staples followed by Home Care and Processed Food.
Major Findings

- The occupation and spending are closely related. In case of business people and professionals they are spending more at the retail outlet compared to others.
- The private label preference in Grocery is more than FMCG. It may be due to the fact that, the consumers are more brand conscious in FMCG than Grocery.
  
  But within the FMCG, more preference for private labels in Home Care than Processed Food.
- The overall consumer consumption of married and unmarried are different with respect to private labels.
- In the organized retail sector, the customer spends more time in purchasing Staples followed by Home Care and Processed Food.

Conclusion and Recommendation.

The consumption depends on number of factors such as demographic, geographic etc. The present study is really helpful for organized retail players in Kerala to map the shoppers. Based on the mapping, they can formulate strategies to attract more customers in area where private label is weak

REFERENCES


The private label realities and the marketing strategy adopted by the organized retail chains in the state of Kerala.

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Abstract: The private label, the master piece of modern trade outlets is fast changing the future of retail industry in India. The private label plays an important role in the overall profitability of a store. The private labels were considered to be inferior to national brands at the initial stages. At present that notion that has been changed to a certain extent and the private brands are considered to be par with national brands in terms of quality and price. The private labels have well established in developed and emerging economies. The private labels are popular in personal care, home care, processed food, groceries and consumer durables. The present research carried out at the selected retail chains in Kerala such as More, Spencer and Reliance Fresh finds that, the marketing strategy can change the overall scenario of private label.

Keywords- Marketing strategy, MTOs, national brands, private label, Retail.

I. Introduction

The retail sector in India is the biggest employer after agriculture. It contributes 10 to 11% of the GDP and 8% of employment. The total retail outlet in India is estimated to be 12 million. The sector amounts to $180 billion market and is six times bigger than that of Thailand and four to five times bigger than that of South Korea and Taiwan. The fifty of the Fortune 500 and 25 of the Asian top 200 companies are retailers. While an estimated 85 percent of retail outlets continue to operate in these traditional formats, the last few years has seen a rise in modern retail formats such as hypermarkets, department stores, multi storied malls, and specialty stores particularly in urban and semi-urban areas. The unorganized retail sector is expected to grow at approximately 10 per cent per annum with sales rising from US$ 309 billion in 2006-07 to US$ 496 billion. The organized retail, which constituted a low four per cent of total retail in 2006-07, is estimated to grow at 45-50. In nut shell the unorganized and organized retail are bound not only to co-exist but also accomplish fast and sustained growth in the coming years. This is clearly not a case of a zero sum game as both organized and unorganized retail will see a gigantic scaling up of their activities. The developed economies, the organized retail is in the range of 75-80 per cent whereas in developing economies, the unorganized sector dominates retail business. In order to capitalize and increase category profitability most of the organized chains have introduced store brands. In India also leading players such as More, Reliance Fresh, Nilagiris and Spencer have private brands.

Private Label

According to Batlas, (1997) store brands or private label brands are brands owned, controlled, and sold exclusively by a retailer.

International private label

The international private labels can be recognized as being of better quality than local private labels. Batra, (2000) international private labels have an inherent cosmopolitan image, they will be deemed more inspirational, desirable and appealing with higher prestige than local private labels. The international private labels can be counted better leading brands than local private labels. The international labels would like to promote their cosmopolitan image so as to generate greater receptivity to their products which are of foreign origin. It is reasonable to state that consuming international private label products can be associated with more sophisticated personalities than local private label products. That is, the brand personality of international private labels will be perceived superior to local private labels. Blois, (2000), and Hsieh, (2004), the international private labels firms normally spend much on advertising and promotional campaigns across international frontiers and consequently are more available and recognized in multiple countries. Yeh, (2004) under such a circumstance, international firms are likely to be perceived better introducing reliable products.
Growth of Private Label in India

The materialization of organized retailing in India has made private labels a reality. Though, initial growth of private label brands in India has been limited to certain categories like grocery and apparel, it is slowly expanding into other categories as well. One of the expectations of KPMG was that the private label would be holding 25% market share at the end of 2010, but it has not come as a reality. Some of the latest marketing research report states that, the share of private label has not crossed 10% in the organized retail chains in Kerala.

II. Literature Review

Preeta H. Vyas, (2007) examines the various sales promotion strategies used as a part of the marketing strategy such as in house and mass media promotions, joint sales promotions etc. The sales promotions are to generate, more store traffic, move excess inventory, and enhance store image and create a price image. The promotions may encourage non buyers to walk in to the store and loyalty programmes may egg on buying more, more often or upgrading to better quality. The exciting promotions also have affinity to generate positive word of mouth and help consumer feel a smart shopper. So not only utilitarian benefits like, saving of money, time or quality up gradation but hedonic benefits like feeling confident, feeling of excitement and entertainment etc. The head retail operations need to understand impact of various types of promotions on consumer behaviour and objectives attained. Gopal Das, (2011) when making sales promotion strategy, the managers consider various parameters so as to make sales promotion an effective one. The demographic parameters have no impact on sales promotion. There are various reasons for the purchase of a product. The consumers purchase more than the regular purchase when promotions are made. The store location, loyalty does not play a major role in purchase decision making when promotional offer is concerned. So the promotions may have an influence on the consumer behaviour in spite of location dis-advantages. At the same time the future sales promotion cannot make customers wait for it. There are various effects of sales promotion and repeat visit to the store is one among them. The sales promotion strategy can be made by introducing various promotional schemes. When ranking various promotional schemes direct price discount is ranked as number one, buy one get one free as second and buy one get another product free. On the media habits in-store publicity plays a vital role in providing information to the customers followed by television and news paper. Serkan Kilic and M Hakan Altmtas, (2006) made an attempt made to estimate the objective of developing private label from retailer’s perspective. The private label are generally developed by retailers for increasing the market share, positioning, developing relationships, cost leadership, increasing profit margins, and competitiveness. Enrique Manzur, Sergio Olavarrieta, Pedro Hidalgo, Pablo Farias and Rodrigo Uribe, (2011) find that the producer’s of national brands should spotlight their strategies on obtaining consumer loyalty since loyal consumers showed a weaker attitude toward store brands over and above toward promotions of other national brands, which lower the risk of competition from whichever strategy. The strong outcome of buyers attitude toward store brands and national brand promotions we can see that consumers with a higher smart shopper self-perception tend to like national brand promotions more than store brands. In the eyes of Rajesh Rajaguru and Margaret JekanyikaMatanda, (2011) finds that functional attributes and perceived shopping value influences consumer satisfaction and loyalty. The Retailers need to invest resources to modify the supermarket appeal to offer hedonic and utilitarian value to customer. The fast changeover in retailing format and shoppers orientation towards supermarket suggests the retailers need to focus on functional attributes. The traditional markets require rapid changes in their retailing strategy for survival and to compete with supermarkets. While international players are planning a foray into India’s retail sector in single brand and multi brand, the Indian retailing sector should pay substantial attention to functional attributes, consumer motives and shopping value. The consumers’ expectations on product quality, assortment and service quality positively influences the perceived shopping value at supermarket background and negatively influences at traditional retail format context in terms of product quality and service quality. Angel F Villarejo-Ramos, (2005). The more the consumers’ tastes, preferences and purchase decisions could be regionally or locally oriented and further influenced by their cultural background and norms. whether the products that the consumers purchase are low involvement products or high involvement products, prior concerns of the businesses and managers or marketers are: consumers involvement in the purchase process, the importance that they place on
certain product attributes and how significantly others influence their decision making process prior to the purchase, after the purchase is completed and the post-purchase behaviour. Hence, this research is beneficial to managers and marketers to streamline their marketing plans and strategies, in order to capture the mind and heart of the consumers at large. As such, it is imperative for marketers and managers to understand consumer behaviour beyond the marketing stimuli but at the same time should also consider the consumers’ cultural diversity, customs and norms. Venkatesh Shankar and Ruth N. Bolton, (2004) state that the retailers anticipate their rivals to propose storable merchandise at reliable prices with a serious amount of promotions and foresee that vital products at any retailer are expected to be priced consistently, discounted heavily, and orchestrated with frequent use of displays and feature advertisements. The retailers present high levels of promotions for brands with high preference or brand equity, consistent with the notion of using strong brands as a traffic builder for the store. Serdar Sayman, Stephen J. Hoch, Jagmohan S, and Raju, (2002) views that retailers are interested in category profits rather than the profit from any specific brand. The retailer’s positioning decision as choosing the degree of competition between the store brand and each of the national brands in the product category. When assuming a category with two national brands, the store brand should be positioned closer to the leading national brand. The consumers can readily detect retailers’ efforts to use the extrinsic cues to position against the leading; this knowledge does not necessarily translate into consumer perceptions that the store brand offers comparable intrinsic quality. The retailer prefers to have a store brand that competes heavily with the national brands. There is a tendency for the store brands to imitate the category leader. It is being seen over a period of time that the store brands perform well in categories with high concentration. William P Putsis, D Jr and Ravi Dhar, (2001) try to find out the basic factors that drive category expenditure focusing on the impact of promotion. The promotion can increase the category expenditure. The supply side consistent with the individual category and market factors helps to enhances the ability of firms to raise price appear to increase the over role category revenue. The brand managers should determine the appropriate response to competitors marketing activities taking into effect the category size as well as the market share. There is a general perception that retailers are more concerned with volume and profit but the manufactures are concerned with market share. According to M.P Martinez Ruiz, A Molla Descals, M.A Gomez Borja and J.L Rojo-Alvarez, (2006) the short-term price discounts presented in the high-priced brands of the category create sales increase. In case of low-priced brands, price discounts offered do not appear to heighten sales. The price deals used as incentives to increase sales are more effective in the high-priced brands of the category, being the less profitable deals those offered in the low priced brands. The existence of asymmetric cross price effects and neighbourhood cross-price effects. The high-priced high-quality brands have a stronger impact on sales of low-priced low quality brands than the reverse, and that cross-price effects are stronger on the sales of brands with similar prices. The promotional days have a significant and differential impact over the sales boost. For all the brands, the weekend in promotional periods have a positive and differential impact over sales.

Primary Objective
To find out the marketing strategies adopted by the organized retail chains to market private labels.

Secondary Objective
- To provide an overview of the private label share and growth rate.
- To analyse the role of designation in formulating the marketing strategy.
- To analyse the relationship between experience and marketing strategy.

Scope and Significance of the study
The study covers the daily stores of major retail chain such as Spencer, Reliance Fresh and More in Kerala. The Private label in two categories such as Grocery and FMCG comes under the purview of the study. At present, India is reeling under the blow of retail revolution which is changing the landscape of this country. More and more employment opportunities and infrastructure is shaping up in the retail sector. The study is significant as limited studies were only carried out in the state of Kerala with respect to marketing strategies adopted by the organized players with respect to private label.

III. Research Methodology
Based on the pilot study, the sample size of the research was framed at 255 from experts. The expert group consist of store managers, store supervisor and sales force in the floor. The primary data was collected at modern retail outlet by way of schedule and observation. One structured schedule was used for the purpose. The schedule and the questionnaire are used to describe the form on which the questions are printed. A schedule is one which is handled by the interviewer. It is different from a questionnaire in such a way that questionnaire is one which is expected to be filled in by the informant. The reason for using schedule in the present research is that, it can provide more accuracy and convenient to the respondents. Based on the predefined quotas, the
The private label realities and the marketing strategy adopted by the organized retail chains in the

research endeavoured to obtain a sample which was somewhat representative of experts in the state of Kerala. Apart from the primary data, secondary data were also taken for the study.

Data analysis Procedure
On conclusion of the survey the 255 expert schedules were fully analysed. A preliminary check was done in the field to identify and remedy any inconsistencies, omissions or obvious mistakes with the schedule completion. Another check was made to alleviate less glaring errors. The data from the schedule was then captured, cleaned, coded and analysed with SPSS. Finally, the data was tested for normality and this was confined to be in order. It was found that in the SPSS, there was less than 0.5 per cent missing value which was replaced with mean values and subsequent to that analysis was conducted. The data was analyzed using statistical package for social science (SPSS V 12.0). Descriptive statistics such as mean and standard deviation were generated to provide an overview of the data. ANOVA for significant difference between designations, and experience with respect marketing strategy.

IV. Result and Discussion

Table 01: Growth in Retail Outlets in India (Millions).

<table>
<thead>
<tr>
<th>Year</th>
<th>Urban</th>
<th>Rural</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1978</td>
<td>0.58</td>
<td>1.76</td>
<td>2.35</td>
</tr>
<tr>
<td>1984</td>
<td>0.75</td>
<td>2.02</td>
<td>2.77</td>
</tr>
<tr>
<td>1990</td>
<td>0.94</td>
<td>2.42</td>
<td>3.36</td>
</tr>
<tr>
<td>1996</td>
<td>1.80</td>
<td>3.33</td>
<td>5.13</td>
</tr>
</tbody>
</table>

(Source www.indiainfoline.com)

The above table shows that, the growth rate of retail outlets in India is almost three fold in urban area, while rural area, it is twofold, when we are comparing 1978 with 1996. But the growth rate is steady over a period of time. More over rural areas having more number of outlets compared with urban area.

Table 02: Top Ten Private Label Markets around the world.

<table>
<thead>
<tr>
<th>Country</th>
<th>Region</th>
<th>PL Growth Rate</th>
<th>Manu Growth Rate</th>
<th>PL Share Point Gain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spain</td>
<td>Europe</td>
<td>15%</td>
<td>6%</td>
<td>1.8</td>
</tr>
<tr>
<td>Slovakia</td>
<td>Emerging Markets</td>
<td>14%</td>
<td>-6%</td>
<td>1.6</td>
</tr>
<tr>
<td>Netherlands</td>
<td>Europe</td>
<td>8%</td>
<td>-2%</td>
<td>1.6</td>
</tr>
<tr>
<td>Finland</td>
<td>Europe</td>
<td>16%</td>
<td>-3%</td>
<td>1.5</td>
</tr>
<tr>
<td>Sweden</td>
<td>Europe</td>
<td>10%</td>
<td>-2%</td>
<td>1.4</td>
</tr>
<tr>
<td>France</td>
<td>Europe</td>
<td>3%</td>
<td>-2%</td>
<td>1.0</td>
</tr>
<tr>
<td>Germany</td>
<td>Europe</td>
<td>3%</td>
<td>-2%</td>
<td>1.0</td>
</tr>
<tr>
<td>Croatia</td>
<td>Emerging Markets</td>
<td>77%</td>
<td>0%</td>
<td>0.8</td>
</tr>
<tr>
<td>Hungary</td>
<td>Emerging Markets</td>
<td>15%</td>
<td>5%</td>
<td>0.8</td>
</tr>
<tr>
<td>Norway</td>
<td>Europe</td>
<td>14%</td>
<td>1%</td>
<td>0.8</td>
</tr>
</tbody>
</table>

(Source: Executive News Report from ACNIELSEN Global Services, September 2005)

From the above table, it is clear that the Croatia having the highest growth rate of PL in Europe and other countries such as Spain, Finland, Hungary, Slovakia and Norway are behind it.

Table 03: The private label share and growth rate by product area.

<table>
<thead>
<tr>
<th>Product Area</th>
<th>PL Share</th>
<th>PL Growth</th>
<th>Product Area</th>
<th>PL Share</th>
<th>PL Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Refrigerated Food</td>
<td>32%</td>
<td>9%</td>
<td>8 Non-Alcoholic Beverages</td>
<td>12%</td>
<td>3%</td>
</tr>
<tr>
<td>2 Paper, Plastic &amp; Wraps (PPW)</td>
<td>31%</td>
<td>2%</td>
<td>9 Home Care</td>
<td>10%</td>
<td>2%</td>
</tr>
<tr>
<td>3 Frozen Food</td>
<td>25%</td>
<td>3%</td>
<td>10 Snacks &amp; Confectionery</td>
<td>9%</td>
<td>8%</td>
</tr>
<tr>
<td>4 Pet Food</td>
<td>21%</td>
<td>11%</td>
<td>11 Alcoholic Beverages</td>
<td>6%</td>
<td>3%</td>
</tr>
<tr>
<td>5 Shelf-Stable Food</td>
<td>19%</td>
<td>5%</td>
<td>12 Personal Care</td>
<td>5%</td>
<td>3%</td>
</tr>
<tr>
<td>6 Diapers &amp; Feminine Hygiene</td>
<td>14%</td>
<td>-1%</td>
<td>13 Cosmetics</td>
<td>2%</td>
<td>23%</td>
</tr>
<tr>
<td>7 Health Care</td>
<td>14%</td>
<td>3%</td>
<td>14 Baby Food</td>
<td>2%</td>
<td>13%</td>
</tr>
</tbody>
</table>
The private label realities and the marketing strategy adopted by the organized retail chains in the

(Source: Executive News Report from ACNIELEN Global Services, September 2005)

From the above table, on private label share and growth rate in product area, it is clear that the refrigerated food having the highest PL share followed by PPW, Frozen Food and Pet Food. When we are analysing the growth rate of PL, cosmetics having the highest growth rate followed by baby food, and pet food

Table 04: The share and growth rate of private label by region based on value sales.

![Share and Growth Rates of Private Label by Region](chart.png)

(Source: Executive News Report from ACNIELEN Global Services, September 2005)

From the chart, on region wise, the Europe having the highest PL share followed by North America and Emerging Markets. The Asia Pacific is behind Europe, North America and emerging markets. In case of PL growth, emerging market is ahead of others. Furthermore Europe is recording low growth rate.

HYPOTHESIS 01

Null Hypothesis: There is no significant difference between designation with respect to marketing strategy.

Table 01 ANOVA for significant difference between designations with respect marketing strategy.

<table>
<thead>
<tr>
<th>Marketing strategy</th>
<th>Designation</th>
<th>F value</th>
<th>P value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Junior level</td>
<td>Middle level</td>
<td>Senior level</td>
</tr>
<tr>
<td>Product</td>
<td>10.95, (1.02)</td>
<td>7.40, (3.47)</td>
<td>8.69, (1.23)</td>
</tr>
<tr>
<td>Price</td>
<td>15.72, (2.66)</td>
<td>11.40, (2.08)</td>
<td>13.25, (1.99)</td>
</tr>
<tr>
<td>Place</td>
<td>15.38b, (2.08)</td>
<td>14.40a, (2.97)</td>
<td>15.43b, (2.50)</td>
</tr>
<tr>
<td>Promotion</td>
<td>30.61c, (3.14)</td>
<td>29.80a, (4.66)</td>
<td>29.69a, (2.88)</td>
</tr>
<tr>
<td>Overall Marketing Strategy</td>
<td>72.66c, (6.30)</td>
<td>63.00a, (10.62)</td>
<td>67.06b, (6.37)</td>
</tr>
</tbody>
</table>

Note: 1. ** Different alphabet between designation denotes significant at 1% level using Duncan Multiple Range test.

2. * Different alphabet between designation denotes significant at 5% level using Duncan Multiple Range test.
Since P value is less than 0.01, the null hypothesis is rejected at 1 percent level of significance. Hence concluded that, there is a significant difference between designation with respect to marketing strategy. Based on Duncan Multiple Range test, the marketing strategy adopted for product and price are same with respect to designation. In case of promotion the marketing strategy is same at all levels (junior level, Middle level and senior level). It may be due to the fact that promotion material may be same at all levels.

HYPOTHESIS 02

**Null Hypothesis:** There is no significant difference between work experience with respect to marketing strategy.

<table>
<thead>
<tr>
<th>Marketing strategy</th>
<th>No. of years work experience</th>
<th>F value</th>
<th>P value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Upto 1</td>
<td>1 to 5</td>
<td>5 to 10</td>
</tr>
<tr>
<td>Product</td>
<td>Mean</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>9.14ₐ</td>
<td>9.10ₐ</td>
<td>10.7ₘ</td>
</tr>
<tr>
<td></td>
<td>(1.61)</td>
<td>(1.23)</td>
<td>(1.7₁)</td>
</tr>
<tr>
<td>Price</td>
<td>Mean</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>16.1ₗₑ</td>
<td>13.₂₄ₐ</td>
<td>12.₆₅ₚ</td>
</tr>
<tr>
<td></td>
<td>(1.₈₇)</td>
<td>(2.₃₂)</td>
<td>(0.₄₈)</td>
</tr>
<tr>
<td>Place</td>
<td>Mean</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>16.₇₂ₘₚ</td>
<td>1₄.₈₂ₜₘ</td>
<td>1₃.₆₀ₚₗ</td>
</tr>
<tr>
<td></td>
<td>(2.₅ₗ)</td>
<td>(2.₁₇)</td>
<td>(₁.₇ₐ)</td>
</tr>
<tr>
<td>Promotion</td>
<td>Mean</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3₂.₉ₗₚₜₘ</td>
<td>2₉.₅₂ₒₜₘ</td>
<td>2₇.₁₇ₘₚₗ</td>
</tr>
<tr>
<td></td>
<td>(₁.₉₃)</td>
<td>(2.₀₂)</td>
<td>(₁.₆₉)</td>
</tr>
<tr>
<td>Overall</td>
<td>Mean</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marketing Strategy</td>
<td>7₅.₀₀ₜₘ</td>
<td>6₆.₆₇ₚₜₘ</td>
<td>6₄.₂₁ₘₚₗ</td>
</tr>
<tr>
<td></td>
<td>(₆.₂₇)</td>
<td>(₄.₉₅)</td>
<td>(₃.₅₅)</td>
</tr>
</tbody>
</table>

Note: 1. ** Different alphabet between no of years of work experience denotes significant at 1 % level using Duncan Multiple Range test.

Since P value is less than 0.01, the null hypothesis is rejected at 1 percent level of significance. Hence concluded that there is a significant difference between experience of staff in organized retail chains with respect to selecting marketing strategy. Based on Duncan Multiple Range test, the marketing strategy adopted for product on staffs having an experience of 1 to 5 years are same. However the marketing strategy for product on staff having 5 to 10 years experience and that of more than 10 years of experience are different. The marketing strategy with regard to pricing for staff above 1 year experience is different than those staff having one year experience. The promotion strategy adopted by marketing professionals of varied experience is different.

**Findings**
- In India the rural areas having more number of retail outlets compared with urban area.
- With regard to international situation of PL in various product categories, the refrigerated food having the highest PL share followed by PPW, Frozed Food and Pet Food. On the growth rate of PL, cosmetics having the highest growth rate followed by baby food, and pet food.
- On region wise, the Europe having the highest PL share followed by North America and Emerging Markets.
- The marketing strategy employed in Kerala is different (senior level, middle level and junior level) on the designation wise.
- The experience of staff at the organized retail chains plays a pivotal role in shaping the marketing strategy.

**V. Conclusion and Recommendations**

The success of any MTOs depends up on the marketing strategy formulated and employed at the ground level. At the time of formulating marketing strategies, all the stakeholders in an organized chain such as senior level staff, middle level staff and junior level staff should be consulted and it is proven again and again that, there is no substitute for experience of the staff. It is wise on the part of the modern trade outlets to collect...
The private label realities and the marketing strategy adopted by the organized retail chains in the
feedback from customers before and after the consumption of private labels, as that will provide an extra
cushion to the retailers.

References
Miscellaneous


The book is a collection of essays in retail management. In a sense, such a type of book is difficult to review. However, an attempt is made here to briefly review the chapters as far as possible, given the limitations of space. In the first chapter, A. Suryanarayana analyzes the conceptual issues in retail equity and retail loyalty. Retail equity is the value a retail outlet adds to the brands or products it sells. The developing of retail equity differs from one product category to another but the points which are applicable to any outlet include identification, evaluation and planning. S. Ravi Prakash and G. Rathnakar explain the modernization which is taking place in the retailing sector. The contribution of organized retailing in retail sales is small but an analysis of retail developments in countries such as Thailand, Brazil and Greece and some experience in India reveal that modernization of retailing in India would be influenced by many torrential forces.

According to D. Harikanth and B. Raj Kumar, Information Technology is playing a vital role in the Indian retail sector. C.J.S. Prasad and D.R. Reddy review consumerism and retailing in India. The Indian society had transformed from a producer-oriented society in nineteenth century to consumerist society in the twentieth century. M. Subrahmanya Sarma and N. Kusuma review the retail banking scenario in India. The retail banking encompasses retail deposit schemes, retail loans/credit cards, debit cards, insurance products, mutual funds and so on. M. Prabhakar Reddy probes into the problems and prospectus of retailing in India. The new trends in global retailing include new retail formats, growth of intertype competition, growth of giant retailers, growing investment in technology, global presence of major retailers, and competition between store-based and non-store based selling. Rising income level, faster pace of life, working women, small families and cross cultural influences are some of the reasons for the rapid growth of retailing in India.

T. Suchitra Rani and D. Menon believe customer retention is possible through proper communication with consumers, providing value added services, offering various product variety, product range, discounts, customer service, brand name and visual merchandising. In their discussion on the emerging trends in the Indian retail market, M.S.R. Seshagiri and P. Pinkapani find that post liberalization period laid the foundation for mall culture in India.
The challenges faced by the Indian retail industry are: shortages of talented, professional (middle level), labor law, lack of infrastructure, different tax rates. P. Deshpande and N. Nalini look at the recent trends in the retail sector, customer expectations, cost savings and consolidation.

A. Suryanarayana and S. Sambrani analyze the revolutionary trends in the Indian Retail sector. The various segments which are recording growth include food, beverage and consumer goods, apparel and footwear, consumer durables, health and beauty products, home furnishing and household goods, and leisure and personal goods. The present scenario of retailing reveals that the sector is broadly un-organized.

The role of FDI in retail sector of India is examined by M. Mujahed and S. Masood. G. Deepika and S. Katyayini review the present scenario of retail sector in India, and the various retail formats and challenges ahead for the retail sector. P. Krishna Chary, Satyanarayana and Srikanth Verma discuss the impact of FDI in the retail sector. Satish Babu and D. Guna Sankar scrutinize the emerging retail revolution and the issues and implications involved in the sector. K. Rama Mohana Rao examine the growth of retailing in India. In the eyes of Jai Raj Nair, E-tailing is the electronic version of non-store retailing. An E-tail acceptance model has also been developed for analyzing E-tailing success.

The opportunities and challenges of retail market in India are explained by V. Krishna Mohan and V.V. Vara Prasad. R. Sudarshan and S. Praveen suggest some measures to strengthen the retail sector in India that include formulation of policies to overcome cultural and regional differences, strengthening the manufacturing sector, and the gradual entry of foreign players. Because of the rising income, increasing population and the like, the prospect of retailing in India seems to be good. However, Indian consumers are becoming more cautious about price, quality, quantity, brand and so on. Thus some new challenges are in the offing.

In conclusion, this book examines a number of dimensions of retailing in India. The second chapter, about modernization of retailing, is the best chapter in the book. Most of the chapters, however, are descriptive and lack any compelling analytical rigor. The book is also not up-to-date and lacks inclusion of many contemporary issues and data. Even with its shortcomings, however, on the whole the book is a welcome addition to the literature on retail management.

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