CHAPTER – 1

INTRODUCTION

Kumar and Steenkamp define a private label “To be any brand that is owned by the retailer or the distributor and is sold only in its own outlets”.

1.1 INTRODUCTION TO BRAND MANAGEMENT

Branding is the process by which companies distinguish their product offerings from competitors’ offerings. Marketers develop their products into brands which help them to create unique position in the minds of customers. A brand is created by developing distinctive name, packaging and design and arousing customers’ expectations about the offering. By developing individual identity, brand permits customers to develop association like prestige and economy with the brand. Buying brand reduce the risk of the customer and eases his purchase decisions. Branding shapes customers perception about the product. Brand superiority leads to high sales, the ability to change price premiums and the power to resist distribution power.

A Brand is both abstract and real. At one level, it represents customers’ expectations, and at another level it encapsulates whatever the company has to offer through the brand. Brand building involves deep understanding of both functional and emotional values the customers use when choosing between brands.

Branding strategy is a powerful strategy which is directly related to product strategy. Brand plays an important role in marketing strategies. Product is something which is made in a factory but brand is something bought by the customer. A product can be copied, but a successful brand is unique and achieves its own brand personality.
Private label branding is a strategic decision which makes manufacturers to see it as an opportunity for cementing the relationship with retailers. They can choose to manufacture those retail brands which are in alignment with their operations strategy and from whose manufacturing they can learn something which they can apply in making their own brands better.

It is therefore necessary for all retailers to understand and give importance to private label brands, because now premium brands in some categories are retailer brands. Instead of considering the business of own label brand as ancillary to the main business of retailing, some retail chains see this as an important of their business and a significant contributor to their revenue. Customer perceptions about retailers brand have changed to the extent that they find the price of manufacturer brands too high compared to those of retailer brands, whereas they find quality of the two to be comparable. Customers have become sophisticated enough to understand that the reason for lower price of retailer brands is the lower cost incurred by retail chains in distribution and promotion and not because they are of lower quality.

1.2 IMPORTANCE OF BRANDING

A brand plays important role in improving and maintaining product quality. In fact a brand is a seal of consistency and reliability of quality. Brand also help in better dissemination of product knowledge which can contribute to scientific and rational decision making. Brands are even more important in the sacred category.

Alexander L, Biel advances some argument for elevating strong brands to the scared category:

- Strong brands enjoy loyalty than their weaker counterparts
- Strong brands offer a platform for brand extension that simply is not available to weak brands.
• Strong brands have more leverage with trade.

• Strong brands are allowed to make mistake and are given a second chance.

• Strong brands have a very long life.

Brand management includes managing the tangible and intangible characteristics of brand. In case of product brands, the tangibles include the product itself, price, packaging, etc. While in case of service brands, the tangibles include the customers’ experience. The intangibles include emotional connections with the product / service.

Branding is assembling of various marketing mix medium into a whole so as to give you an identity. It is nothing but capturing your customers mind with your brand name. It gives an image of an experienced, huge and reliable business.

The aim of branding is to convey brand message vividly, create customer loyalty, persuade the buyer for the product, and establish an emotional connectivity with the customers. Branding forms customer perceptions about the product. It should raise customer expectations about the product. The primary aim of branding is to create differentiation.

Strong brands reduce customers’ perceived monetary, social and safety risks in buying goods/services. The customers can better imagine the intangible goods with the help of brand name. Strong brand organizations have a high market share. The brand should be given good support so that it can sustain itself in long run. It is essential to manage all brands and build brand equity over a period of time. The important and usefulness of brand management are

• Brand management helps in building a corporate image.

• Improve overall brand performance.

• Creates brand management system as competent.
1.3 STRONG BRAND ATTRIBUTES

Brand Attributes portray a company’s brand characteristics. They signify the basic nature of brand. Brand attributes are a bundle of features that highlight the physical and personality aspects of the brand. Attributes are developed through images, actions, or presumptions. Brand attributes help in creating brand identity.

A strong brand must have following attributes:

1. **Relevancy** - A strong brand must be relevant. It must meet people’s expectations and should perform the way they want it to. A good job must be done to persuade consumers to buy the product; else in spite of your product being unique, people will not buy it.

2. **Consistency** - A consistent brand signifies what the brand stands for and builds customers trust in brand. A consistent brand is where the company communicates message in a way that does not deviate from the core brand proposition.

3. **Proper positioning** - A strong brand should be positioned so that it takes a place in target audience mind and they prefer it over other brands.

4. **Sustainable** - A strong brand makes a business competitive. A sustainable brand drives an organization towards innovation and success.

5. **Credibility** - A strong brand should do what it promises. The way you communicate your brand to the audience/ customers should be realistic. It should not fail to deliver what it promises. Do not exaggerate as customers want to believe in the promises you make to them.

6. **Inspirational** - A strong brand should transcend/ inspire the category it is famous for.
7. **Uniqueness**- A strong brand should be different and unique. It should set you apart from other competitors in market.

8. **Appealing**- A strong brand should be attractive. Customers should be attracted by the promise you make and by the value you deliver.

### 1.4 BRAND POSITIONING

Brand positioning refers to “target consumer’s” reason to buy your brand in preference to others. It ensures that all brand activity has a common aim; is guided, directed and delivered by the brand’s benefits/reasons to buy; and it focuses at all points of contact with the consumer.

**Brand positioning must make sure that**

- Is it unique / distinctive vs. competitors?
- Is it significant and encouraging to the niche market?
- Is it appropriate to all major geographic markets and businesses?
- Is the proposition validated with unique, appropriate and original products?
- Is it sustainable - can it be delivered constantly across all points of contact with the consumer?
- Is it helpful for organization to achieve its financial goals?
- Is it able to support and boost up the organization?

In order to create a distinctive place in the market, a niche market has to be carefully chosen and a differential advantage must be created in their mind. Brand positioning is a medium through which an organization can portray its customers what it wants to achieve for them and what it wants to mean to them. Brand positioning forms customer’s views and opinions.
Brand Positioning can be defined as an activity of creating a brand offer in such a manner that it occupies a distinctive place and value in the target customer’s mind. The positioning you choose for your brand will be influenced by the competitive stance you want to adopt.

Brand Positioning involves identifying and determining points of similarity and difference to ascertain the right brand identity and to create a proper brand image. Brand Positioning is the key of marketing strategy. A strong brand positioning directs marketing strategy by explaining the brand details, the uniqueness of brand and it’s similarity with the competitive brands, as well as the reasons for buying and using that specific brand. Positioning is the base for developing and increasing the required knowledge and perceptions of the customers. It is the single feature that sets your service apart from your competitors.

There are various positioning errors, such as-

1. **Under positioning**- This is a scenario in which the customer’s have a blurred and unclear idea of the brand.

2. **Over positioning**- This is a scenario in which the customers have too limited awareness of the brand.

3. **Confused positioning**- This is a scenario in which the customers have a confused opinion of the brand.

4. **Double Positioning**- This is a scenario in which customers do not accept the claims of a brand.

### 1.5 BRAND IDENTITY

Brand identity stems from an organization, i.e., an organization are responsible for creating a distinguished product with unique characteristics. It is how an organization seeks to identify itself. It represents how an organization wants to be perceived in the market. An organization communicates its identity to the consumers through its branding and marketing.
Brand identity is a bundle of mental and functional associations with the brand. Associations are not “reasons-to-buy” but provide familiarity and differentiation that’s not replicable getting it.

Brand identity is the total proposal/promise that an organization makes to consumers. The brand can be perceived as a product, a personality, a set of values, and a position it occupies in consumer’s minds. Brand identity is all that an organization wants the brand to be considered as. It is a feature linked with a specific company, product, service or individual. It is a way of externally expressing a brand to the world.

Brand identity is the noticeable elements of a brand that identify and differentiates a brand in target audience mind. It is a crucial means to grow company’s brand.

Brand identity is the aggregation of what all (i.e. an organization) do. It is an organization’s mission, personality, promise to the consumers and competitive advantages. It includes the thinking, feelings and expectations of the target market/consumers. It is a means of identifying and distinguishing an organization from another. An organization having unique brand identity have improved brand awareness, motivated team of employees who feel proud working in a well branded organization, active buyers, and corporate style. Brand identity leads to brand loyalty, brand preference, high credibility, good prices and good financial returns. It helps the organization to express to the customers and the target market the kind of organization it is. It assures the customers again that you are who you say you are. It establishes an immediate connection between the organization and consumers. Brand identity should be sustainable. It is crucial so that the consumers instantly correlate with your product/service.

Brand identity should be futuristic, i.e., it should reveal the associations aspired for the brand. It should reflect the durable qualities of a brand. Brand identity is a basic means of consumer recognition and represents the brand’s distinction from its competitors.
1.6 BRAND PERSONALITY

Brand personality is the way a brand speaks and behaves. It means assigning human personality traits/characteristics to a brand so as to achieve differentiation. These characteristics signify brand behavior through both individuals representing the brand (i.e. its employees) as well as through advertising, packaging, etc. When brand image or brand identity is expressed in terms of human traits, it is called brand personality.

Brand personality is nothing but personification of brand. A brand is expressed either as a personality who embodies these personality traits or distinct personality traits. Brand personality is the result of all the consumer’s experiences with the brand. It is unique and long lasting.

Brand personality must be differentiated from brand image, in sense that, while brand image denote the tangible (physical and functional) benefits and attributes of a brand, brand personality indicates emotional associations of the brand. If brand image is comprehensive brand according to consumers’ opinion, brand personality is that aspect of comprehensive brand which generates its emotional character and associations in consumers’ mind.

Brand personality develops brand equity. It sets the brand attitude. It is a key input into the look and feel of any communication or marketing activity by the brand. It helps in gaining thorough knowledge of customers feelings about the brand. Brand personality differentiates among brands specifically when they are alike in many attributes. Brand personality is used to make the brand strategy lively, i.e., to implement brand strategy. Brand personality indicates the kind of relationship a customer has with the brand. It is a means by which a customer communicates his own identity.

Brand personality and celebrity should supplement each other. Trustworthy celebrity ensures immediate awareness, acceptability and optimism towards the brand. This will influence consumers’ purchase decision and also create
brand loyalty. Brand personality not only includes the personality features/characteristics, but also the demographic features like age, gender or class and psychographic features. Personality traits are what the brand exists for.

1.7 BRAND AWARENESS

Brand awareness is the probability that consumers are familiar about the life and availability of the product. It is the degree to which consumers precisely associate the brand with the specific product. It is measured as ratio of niche market that has former knowledge of brand. Brand awareness includes both brand recognition as well as brand recall. Brand recognition is the ability of consumer to recognize prior knowledge of brand when they are asked questions about that brand or when they are shown that specific brand, i.e., the consumers can clearly differentiate the brand as having being earlier noticed or heard. While brand recall is the potential of customer to recover a brand from his memory when given the product class/category, needs satisfied by that category or buying scenario as a signal. In other words, it refers that consumers should correctly recover brand from the memory when given a clue or he can recall the specific brand when the product category is mentioned. It is generally easier to recognize a brand rather than recall it from the memory.

Brand awareness is improved to the extent to which brand names are selected that is simple and easy to pronounce or spell; known and expressive; and unique as well as distinct. For instance - Coca Cola has come to be known as Coke.

The are two types of brand awareness:

1. **Aided awareness**- This means that on mentioning the product category, the customers recognize your brand from the lists of brands shown.

2. **Top of mind awareness (Immediate brand recall)** - This means that on mentioning the product category, the first brand that customer recalls from his mind is your brand.
The relative importance of brand recall and recognition will rely on the
degree to which consumers make product-related decisions with the brand present or
not. For instance - In a store, brand recognition is more crucial as the brand will be
physically present. In a scenario where brands are not physically present, brand
recall is more significant (as in case of services and online brands).

Building brand awareness is essential for building brand equity. It
includes use of various renowned channels of promotion such as advertising, word
of mouth publicity, social media like blogs, sponsorships, launching events, etc. To
create brand awareness, it is important to create reliable brand image, slogans and
taglines. The brand message to be communicated should also be consistent. Strong
brand awareness leads to high sales and high market share. Brand awareness can be
regarded as a means through which consumers become acquainted and familiar with
a brand and recognize that brand.

1.8 BRAND LOYALTY

Brand Loyalty is a scenario where the consumer fears purchasing and
consuming product from another brand which he does not trust. It is measured
through methods like word of mouth publicity, repetitive buying, price sensitivity,
commitment, brand trust, customer satisfaction, etc. Brand loyalty is the extent to
which a consumer constantly buys the same brand within a product category. The
consumers remain loyal to a specific brand as long as it is available. They do not
buy from other suppliers within the product category. Brand loyalty exists when the
consumer feels that the brand consists of right product characteristics and quality at
right price. Even if the other brands are available at cheaper price or superior
quality, the brand loyal consumer will stick to his brand.

Brand loyal consumers are the foundation of an organization. Greater
loyalty levels lead to less marketing expenditure because the brand loyal customers
promote the brand positively. Also, it acts as a means of launching and introducing
more products that are targeted at same customers at less expenditure. It also
restrains new competitors in the market. Brand loyalty is a key component of brand equity.

Brand loyalty can be developed through various measures such as quick service, ensuring quality products, continuous improvement, wide distribution network, etc. When consumers are brand loyal they love “you” for being “you”, and they will minutely consider any other alternative brand as a replacement.

**Brand loyalty can be defined as relative possibility of customer shifting to another brand in case there is a change in product’s features, price or quality.** As brand loyalty increases, customers will respond less to competitive moves and actions. Brand loyal customers remain committed to the brand, are willing to pay higher price for that brand, and will promote their brand always. A company having brand loyal customers will have greater sales, less marketing and advertising costs, and best pricing. This is because the brand loyal customers are less reluctant to shift to other brands, respond less to price changes and self-promote the brand as they perceive that their brand have unique value which is not provided by other competitive brands.

Brand loyalty has always developed post purchase. To develop brand loyalty, an organization should know their niche market, target them, support their product, ensure easy access of their product, provide customer satisfaction, bring constant innovation in their product and offer schemes on their product so as to ensure that customers repeatedly purchase the product.

Brand Associations are not benefits, but are images and symbols associated with a brand or a brand benefit. Associations are not “reasons-to-buy” but provide acquaintance and differentiation that’s not replicable. It is relating perceived qualities of a brand to a known entity.

### 1.9 BRAND ASSOCIATION

Brand association is anything which is deep seated in customer’s mind about the brand. Brand should be associated with something positive so that the
customers relate your brand to being positive. Brand associations are the attributes of brand which come into consumers mind when the brand is talked about. It is related with the implicit and explicit meanings which a consumer relates/associates with a specific brand name. Brand association can also be defined as the degree to which a specific product/service is recognized within its product/service class/category. While choosing a brand name, it is essential that the name chosen should reinforce an important attribute or benefit association that forms its product positioning.

**Brand associations are formed on the following basis:**

- Customers contact with the organization and its employees;
- Advertisements;
- Word of mouth publicity;
- Price at which the brand is sold;
- Celebrity/big entity association;
- Quality of the product;
- Products and schemes offered by competitors;
- Product class/category to which the brand belongs;
- POP (Point of purchase) displays; etc

Positive brand associations are developed if the product which the brand depicts is durable, marketable and desirable. The customers must be persuaded that the brand possess the features and attributes satisfying their needs. This will lead to customers having a positive impression about the product. Positive brand association helps an organization to gain goodwill, and obstructs the competitor’s entry into the market.
1.10 BRAND BUILDING

Branding is a process that allows an individual or a group of individuals the ability to provide a brand image and lettering to an idea. Upon doing so, one has a better chance of selling such items to a broader audience whether that is on a local or global level. Therefore, while the old adage “nothing happens until somebody sells something,” still stands true to some extent, at times almost seems as if the process of advertising and branding has overtaken the desire to sell.

Although branding generally identifies the company and philosophies behind same, it can also be representative of those working for such a company. This is a good thing as it generates the right type of audience to the product or service being sold based on personal relationships with those running the company. Therefore, it benefits both the organization selling the branded product or service and the dealers buying same.

One of the most important steps in selling any product or service is the belief one holds in relation to the item. Therefore, only those who strongly believe in the products and services offered by the company are going to be good at selling same. Otherwise, one may want to work from an advertising or graphic artist perspective in relation to advertising rather than sales when it comes to time to market same.

Another step is to build a brand that maintains loyalty with its customer base and has a strong customer service department. For, having such a department in today's world where one is both experienced and knowledgeable when it comes to helping others can be a rare find. So, companies who represent oneself have a strong customer base and even stronger customer service department are often more successful than those who do not.

A very important step in marketing a brand is to identify the target audience before creating the logo and lettering in relation to marketing. This is because different age groups react differently to a variety of logo and lettering...
especially as so much is misrepresented by a variety of gangs and others using such material inappropriately. Therefore, if one can define the brand name, logo and lettering and present same to a marketing research review panel or the like, one may be able to gain a better understanding of which audience one needs to direct their product or service to in order to create the most sales.

Still, if one can communicate the use of their product or service clearly, establish trust within the community, be that locally or globally, aim marketing at the right audience, build a base of buyers and customer loyalty and offer great customer service, then one is on their way to not only creating and advertising an excellent brand but selling one as well.

Therefore, when looking for steps in building a brand, there are many steps which one can complete to help make the creation of such brand an easier task. These include, knowing your audience, building your brand, finding a great logo and lettering to represent same, targeting the appropriate audience and placing a number of ads in as many online and offline advertising venues one can find. For, after doing so, one may just find that they are selling even more products and services than one had ever dreamed possible.

1.11 BRAND EQUITY

Brand Equity is the value and strength of the Brand that decides it’s worth. It can also be defined as the differential impact of brand knowledge on consumer’s response to the Brand Marketing. Brand Equity exists as a function of consumer choice in the market place. The concept of Brand Equity comes into existence when consumer makes a choice of a product or a service. It occurs when the consumer is familiar with the brand and holds some favorable positive strong and distinctive brand associations in the memory.
Factors contributing to Brand Equity

1. Brand Awareness

2. Brand Associations

3. Brand Loyalty

4. **Perceived Quality**: refers to the customer’s perception about the total quality of the brand. While evaluating quality the customer takes into account the brands performance on factors that are significant to him and makes a relative analysis about the brand’s quality by evaluating the competitor’s brands also. Thus quality is a perceptual factor and the consumer analysis about quality varies. Higher perceived quality might be used for brand positioning. Perceived quality affect the pricing decisions of the organizations. Superior quality products can be charged a price premium. Perceived quality gives the customers a reason to buy the product. It also captures the channel member’s interest. For instance - American Express.

5. **Other Proprietary Brand Assets**: Patents, Trademarks and Channel Inter-relations are proprietary assets. These assets prevent competitors attack on the organization. They also help in maintaining customer loyalty as well as organization’s competitive advantage.

Brand Equity is defined as value and strength of the Brand that decides it’s worth whereas Customer Equity is defined in terms of lifetime values of all customers. Brands do not exist without consumer and consumers do not exist without brands. Brands serve as a temptation that utilizes other intermediaries to lure the customers from whom value is extracted. Customers serve as a profit-medium for brands to encash their brand value. Both the concepts are highly co-related.
1.12 PRIVATE LABEL BRAND DEFINED

Private label brands are brand owned and sold by the retailer and distributed by the retailer. Private label covers all products that are produced by, or on behalf of, a specific retailer for sale in their stores. Other commonly used terms include ‘store brand’ and ‘own label’. In simple definition private labels are RETAILERS BRANDS.

1.12.1 FORMATS OF PRIVATE LABEL BRANDS

Private label brands are available in a multitude of formats. There are, essentially, three varieties of private label brands. The first being a representative brand, which is a private label brand that through its name and packaging announces that it is produced and solely owned by the retailer. The second being an exclusive private label brand, which is owned and produced by the retailer, yet this fact, is not explicitly conveyed to the consumer through brand name and packaging. The last type is confined labels. These are brands that are not owned by the retailer but are found exclusively in their stores.

1.13 NEED AND IMPORTANCE OF THE STUDY

Consumers’ buying decision process for the purchase of Private Label products is complex (Livesey and Lennon, 1978). Private label product needs to be examined on its own merit (Prendergast and Marr, 1997). The brand name of any product has always been considered to be of great importance in determining perceptions of brand quality and attitudes towards the product (Srinivasan and Till, 2002). Moreover, consumers usually have different perceptions for different products, as each product category has certain characteristics, which in turn may have a significant effect on buying behavior variables (Veloutsou et al., 2004). Following this, even though there is an amount of published studies on private labels, no specific research on the consumer’s perception of private label grocery and food product categories has been carried out and India is a very young nation, when compared with some advanced and developed countries. Nearly two-thirds of
its population is below the age of 35, and nearly 50% is below 25. Marketers explain that the boom in the consumption level and leisure related expenditure is because of this young population. It will have a significant impact over the consumer goods market. In addition to that, it is expected that this will generate trade opportunities and continuous investment in the economy. There is huge potential for further consumption of goods and services due to the increased level of disposable income. The expenditure on essential goods and services has a higher share in developing countries as compared with that of developed countries.

With new market opportunities opened because of changes in lifestyles and cooking habits towards healthy eating, environmental concerns, exotic cuisine, and convenience food (Martinez et al., 2002), therefore, it would be interesting to examine consumers’ perception towards private label product. This realization points to the opportunity to further explore and provide insight into the relationships between particular variables that impact on perception towards private labels and the purchase of private label.

1.14 STATEMENT OF THE PROBLEM

This study attempts to integrate consumers’ perception factors into a solid research framework to comprehend better consumer Private Label perception in the Chennai retail stores in two product categories (i.e. food products and grocery items). Food essentials occupy the most important place among all other essential expenses spent by the individual and it can be found that major chunk of income is spent on food and grocery items. This study rightly aims to shed light on the how the consumption trends have impact on consumers’ perception towards private label food and grocery items in influencing their buying behavior.

After years of record food price hikes, 2009 began with difficulties taking the form of widespread price deflation, the impact of the economic crisis on businesses and shoppers, and considerable currency turbulence. However, it is important to note that the grocery retail market was largely unaffected by these issues because food is such a safe haven for retailers as it is not a discretionary...
spend. Nevertheless, while the worldwide grocery market did not descend into chaos, 2009 was undoubtedly an extremely tough year for the retail market. In addition, it was a year where many companies looked to consolidate and improve the efficiencies of their current operations rather than blindly expanding – which is reflected by very little movement in the rankings. Grocery retailers are paying increasing attention to the development of private label, an understanding of the perceptual processes is important to the marketer as a customer’s decision to purchase a product is influenced, to a large extent, by the way he/she perceives the product. Marketers’ therefore need to be involved with perceptual processes that focus on how individuals process information about a product prior to purchase (Myers, 1986). An understanding of the perception process in relation to grocery and food items should be sought on the basis of both the purchasing and usage situations. The perception on private label is a result of an interaction between the consumer’s conceptual perception and the consumer’s subjective assessment of the product.

1.15 OBJECTIVES OF THE STUDY

The broad objective of the study is to critically explore the role of consumer’s perception on private labeling in retail outlets to achieve change in strategy formulation by the retailers.

The specific objectives of the study are as follows:

1. To analyze the emotional and rational values attached to private label brands.

2. To find out consumer’s preference towards purchase of PLBs in various categories of food and grocery products.

3. To analyze demand drivers in PLBs market by way of analyzing consumer’s buyer behavior.

4. To analyze perception associated with consumer factors which are related with PLBs.
5. To analyze consumer’s perception towards brand sensitivity and brand loyalty.

6. To suggest alternative routes to Position PLBs/ ways and means to communicate the current route in more relevant and competitive and unique manner.

1.16 HYPOTHESIS

Hypothesis related to identification of certain factors which influence consumers’ perception towards private label brands.

1. Consumers’ perception is a major concern for retailers in Food / Grocery sector.

2. There are various factors that can be grouped and ranked for creating positive attitude towards PLBs

3. There are various factors that can contribute for Purchase Intention of PLBs

4. The consumers should be familiar about PLB attributes to have positive attitude about PLBs

5. The retailers in retail sector prefer certain strategies to change consumer perception towards PLBs.

6. The retailers should consider changing consumers’ perception as the prime factor for success of PLBs.

1.17 SCOPE OF THE STUDY

The brand name of any product has always been considered to be of great importance in determining perceptions of brand quality and attitudes towards the product (Srinivasan and Till, 2002). Consumers’ buying decision process for the purchase of this type of products is complex (Livesey and Lennon, 1978). Moreover, consumers usually have different perceptions for different products, as each product
category has certain characteristics, which in turn may have a significant effect on buying behavior variables own merit (Prendergast and Marr, 1997). Following this, even though there is an amount of published studies on private labels, no specific research on the consumer’s perception of private label grocery and food product categories has been carried out and India is a very young nation, when compared with some advanced and developed countries. The growing population with the age of group of 25 to 35 contributes to nearly two-thirds of overall population. Marketers explain that the boom in the consumption level and leisure related expenditure is because of these young populations that have a significant impact over the consumer goods market. In addition to that, it is expected that this will generate trade opportunities and continuous investment in the economy. The expenditure on essential goods and services has a higher share in developing countries as compared with that of developed countries. This realization points to the opportunity to further explore and provide insight into the relationships between particular variables that impact on perception towards private labels and the purchase of private label.

1.18 LIMITATIONS OF THE STUDY

1. The retail sector is a mixture of different types of brands in different product categories. The current study is confined to private label brands food and grocery retail sector.

2. The study is based on consumers’ perception towards private label brands in food and grocery retail sector. Their perceptions are subject to change from time to time. Therefore, the respondents reflect their contemporary views on prevailing conditions in the economy.

3. The study covers 800 consumers who are deemed to be representative of the urban supermarket shopping population of Chennai. Research covering more number of consumers may be an ideal one.

4. Attempts could have been made to administer questionnaire in different cities of Tamil Nadu, the study is restricted to Chennai.
5. Though greater care has been taken to conduct the study in an unbiased manner, the result of the study cannot be generalized and are applicable only to the consumers of grocery and food retail sector.

1.19 CHAPTER ARRANGEMENT

Chapter I - Introduction, which includes introduction to the study, statement of the problem, objectives of the study, hypotheses, scope of the study and limitations.

Chapter II - An overview of Indian Retail Industry, which highlights the current scenario of Indian retail sector and includes conceptual framework of Consumers’ perception towards Private Label Brands in food and grocery retail sector.

Chapter III - Review of Literature – highlights the studies relevance to the present study, studies on how consumers’ have perceived private label brands in the current scenario.

Chapter IV - Research Methodology includes the type of research design, sampling design- sample frame, reliability test and the methods of data collection.

Chapter V - Analysis and Interpretation high lights the analysis of primary data using statistical tools.

Chapter VI - Summary of findings, suggestion, and conclusion – summaries of the findings along with suggestions to the retailers for improving their private label brands in order to motivate their purchase intention by focusing on changing their attitude and their by making high profit margin.