

A STUDY ON ROLE OF PRIVATE LABELS IN BUILDING STORE LOYALTY IN BANGALORE

Ananda H.S¹, Mr. Angel Chakraborty², Dr.M.Gurusamy³

¹Final Year MBA Student, PG Department of Commerce and Management Studies, Brindavan College, Bengaluru

²Assistant Professor, PG Department of Commerce and Management Studies, Brindavan College, Bengaluru

³Professor and Head, PG Department of Commerce and Management Studies, Brindavan College, Bengaluru

Email: ¹anandgowdahs96@gmail.com, ²angel.chakraborty@gmail.com, ³gurusamyphd@gmail.com

Abstract—Retailers are paying special mind to choices to drive the clients to their stores. One such methodology is to create private names likewise know as store groups, private marks brands, and store brands. Private marks improve retailers benefit as well as increment class deals and fabricate store steadfastness. Brand names significantly affect the dedication of the clients towards a store. Private Mark brands being a key supporter, has a significant task to carry out. To investigation the connection between private mark's quality and store faithfulness, effect of private mark's advancements on store faithfulness and impact of value differential between national brand and private name's on store dependability. The study is related to organized retailers of Bangalore, the need for the study is about changing customer tastes and the need to fill a gap in the product offering is the key reasons for the retailers to opt for private labels. This gap may be due to the non-availability of product/category. The retailer may also seek to create a competitive advantage in his domain by aiming to offer a product that is unique and thus also builds on customer loyalty. The study concludes that media plays an important role in creating awareness about private labels, influence towards outlet, quality is high, increase in number of private labels build store loyalty and promotions by retailer influence store loyalty. The retailers are profoundly centered around media, special exercises to make the mindful of private names in the market, concentrate on building the store unwaveringness by giving great quality products, administrations and offers, expanding limited time exercises like sing loads up, pennants and advertisements by the retailer will guarantee to construct store devotion, private names are acceptable incentive for cash. Store advancement is a crucial instrument for the composed retailers to recognize target purchasers, persuade them to go to the stores and clandestine those to steadfast shoppers.

Keywords—Brand Loyalty, Media, Private Label, Promotions, Retail Store.

INTRODUCTION

Retailers are paying special mind to choices to drive the clients to their stores. One such methodology is to create private names likewise know as store groups, private marks brands, and store brands. Clients will be more joyful if a quality item is made accessible at a sensible value regardless of whether it is conveyed by a marked producer or retailer.

As the retailing part is getting progressively composed and with tension building to convey quality items, retailers are investigating different open doors by propelling private marks and the equivalent has begun getting acknowledgment. In this serious world, a retailer's job as a broker is not tied in with making do in business. They have to separate edge is given by private marks. As retailers are cutting edge players, it is an open door for the retailers to comprehend and fulfil clients' needs more accurately. Private marks improve retailers benefit as well as increment class deals and fabricate store steadfastness.

Clients by and large assess a retail location based on the brands it conveys. Brand names significantly affect the dedication of the clients towards a store. Private Mark brands being a key supporter, has a significant task to carry out. As from the worldwide situation, private names are entering at various levels relying upon the monetary states of the nation. The worldwide infiltration pace of private names is 6%, with Europe enjoying the most noteworthy entrance pace of 23%. Private names all around, are contributing 17% of the all-out deals.

REVIEW OF LITERATURE

Mr. Marcel and Lal (2000) an exploration on building store dependability through store brands, uncovered that when buyers are touchy to item quality and brand decision, at that point quality store brands presented by retailers can be utilized as an instrument to make store separation and in this manner create store steadfastness and store gainfulness. This exploration features that store brands and national brands assumes corresponding jobs, while the previous turns into a wellspring of store separation and reliability; last assumes the job of expanding the cost of store names in this way contributing towards store gainfulness.

Serdar Sayman et al (2002) concentrate on situating of store brands has discovered that well known national brands are typically focused by premium quality store brands. They additionally saw that opposition is progressively exceptional when great store brands contend with driving national brands and afterward with auxiliary national brands. Item recognition study objective featured that when shoppers were focused on unequivocally.

Mr. Roy (2005) on factors administering buyer's selection of stores, and a bunch investigation alongside factors examination for portioning the buyers and uncovered that decision examples of shoppers will fluctuate as indicated by age, occupation and pay.

Mr. Sudhir and Talukdar (2004) from their examination found that store brands do make separation for the stores according to the client and create support towards the stores when presented in the market.

Mr. Kenhove et al. (1999) the investigation uncovered that retailers could impact the buyers on their store decision choice. The investigation additionally demonstrated that bigger amounts, prompt buys, routine buys and others affect store decision choice.

NEED FOR STUDY

The changing customer tastes and the need to fill a gap in the product offering is the key reasons for the retailers to opt for private labels. This gap may be due to the non-availability of product/category. The retailer may also seek to create a competitive advantage in his domain by aiming to offer a product that is unique and thus also builds on customer loyalty. Consumers develop divergent perceptions of national brands vis-a-vis the private label brands. It is found that for certain product categories, customer belief about quality of national brands is far too strong for store brands to make any impact on consumer loyalty.

OBJECTIVES OF THE STUDY

1. To investigation the connection between private mark's quality and store faithfulness.
2. To investigation the effect of private mark's advancements on store faithfulness.
3. To investigation the impact of value differential between national brand and private name's on store dependability.

SCOPE OF THE STUDY

The study is related to organized retailers of Bangalore, in relation to the private labels resulting into store loyalty. Following are specific organized retail outlets considered for the study are- Heritage, Reliance Fresh, More (Aditya Birla), Big Bazaar & Pantaloon Retail.

METHODOLOGY

This is a Logical and Descriptive Research, in which the analyst utilizes variables or data effectively accessible and examination it to make a basic assessment of the material. Then again Descriptive research decides and reports the situation. It is not just assortment of information, yet it is more than that, it includes estimation, arrangement, examination, correlation, and translation. Elucidating research answers to the investigations leads on shopping recurrence, brand prominence of items and administrations, purchasing conduct and shopper inclinations, and so forth.

Comfort testing (otherwise called accessibility inspecting) is a sort of non-likelihood examining strategy that depends on information assortment from populace individuals who are helpfully accessible to partake in study.

TOOLS FOR DATA COLLECTION

The exactness of assortment information will be of more noteworthy hugeness for making right and substantial inference for the examination. The sources would be grouped into two:

1. Primary information
2. Secondary information

PRIMARY DATA

The essential information will be gathered through a poll. Open-finished, closed finished and Yes or No inquiries will be utilized in drafting the survey. There will be additionally different factors, for example, individual inclination about the items, their fulfilment levels, and so forth., will be likewise included. Meeting controlled shut end addresses will be given to the division leaders of the organization to gather the data about item and advertising procedures actualized and a perception of the data will be continued.

SECONDARY DATA

Significant wellsprings of optional information will be removed from different diaries, magazines, sites, and so forth.

POPULATION

Respondents/clients of retails in Bangalore Test Size. 100 Respondents (clients)

Inspecting Methodology: Data would be gathered by utilizing accommodation examining

DATA ANALYSIS

Polls, perceptions, center gatherings and meetings are among probably the most ordinarily utilized procedures.

An information investigation plan is a nitty gritty suggestion that structures a venture work, expresses the destinations of the undertaking, distinguishes the required information sources and depicts the philosophy of directing the examination.

Subjective information will be assembled through association and conversations with the officials working. Some significant data will be accumulated through couple of unstructured meetings of Executive Annual reports and different magazines distributed and will be utilized for gathering the necessary data. Direct Observation and Interview Method expressing the destinations of the undertaking, recognizes the required information sources, and depicts the philosophy of leading the investigation. In this manner, a similar will be arranged, changed over into Bar and Pie Charts to information mine and break down the realities of the exploration.

QUANTITATIVE DATA ANALYSIS

It will be brought out through measurable Tools and will be as per the following: -

1. Graphs
2. Average and rate
3. Tables and
4. Statistical procedures and

DATA ANALYSIS & INTERPRETATION

TABLE 1: SOURCE OF AWARENESS ON PRIVATE LABELS

<i>Respondents View</i>	<i>Frequency</i>	<i>Percent</i>
In-house Promotional Activities	23	23.0
Media	32	32.0
Personal Visit	22	22.0
Friends	10	10.0
Word of Mouth	13	13.0
Total	100	100.0

Interpretation-From the above table and figure we can find that, out of 100 sample size, the share of media in awareness of private label is 32% followed by in-house promotional activities 23%, personal visit 22%, friends share is 10% and

word of mouth share is 13%. From this we come to know that media plays an important role in creating awareness about private labels.

TABLE 2: STATISTICS OF RATING THE QUALITY OF PRIVATE LABELS

Valid	100
Mean	2.24
Mode	2

Interpretation-From the above table and figure we can find that, out of 100 sample size, 52% of the respondents rated the private labels quality as high followed by 20% of the respondents rated it as average, 18% of respondents rated as very high, 8% of them rated as low and remaining 2% of respondents rated private labels quality Very low. From this we come to know that respondents agree that the quality of private labels is good.

It can also be seen that Mean is 2.24 and Mode is 2, which means maximum number of people are agreed that quality of private labels is high.

TABLE 3: INFLUENCE OF PRIVATE LABELS ON PARTICULAR OUTLET

<i>Respondents View</i>	<i>Frequency</i>	<i>Percent</i>
Yes	81	81.0
No	19	19.0
Total	100	100.0

Interpretation-From the above table and figure we can find that, out of 100 sample size, 81% of respondents believe that the private labels influence particular outlet and followed by 19% of respondents believe that private labels won't influence particular outlet. From this we come to know that majority of respondents strongly agreed that private labels by retailer influence towards outlet.

TABLE 4: INCREASED NUMBER OF PRIVATE LABELS INFLUENCE ON BUILDING STORE LOYALTY

<i>Respondents View</i>	<i>Frequency</i>	<i>Percent</i>
Strongly Agree	56	56.0
Agree	37	37.0
Average	4	4.0
Disagree	1	1.0
Strongly Disagree	2	2.0
Total	100	100.0

Interpretation-From the above table and figure we can find that, out of 100 sample size, 56% of respondents are strongly agree that increased in number of private labels build the store loyalty followed by 37% of respondent agree, 4% of respondents are average, 1% respondents are disagree, and 2% respondents are strongly disagree. From this we come to know that respondents strongly agreed that increased number of private labels build store loyalty.

It can also be seen that Mean is 1.56 and Mode is 1, which means maximum number of people are strongly agree in accepting that the increase in number of private labels build store loyalty.

TABLE 5: PROMOTIONS BY RETAILER FOR PRIVATE LABELS INFLUENCE ON BUILDING STORE LOYALTY

Respondents View	Frequency	Percent
Strongly Agree	54	54.0
Agree	39	39.0
Average	4	4.0
Disagree	2	2.0
Strongly Disagree	1	1.0
Total	100	100.0

Interpretation-From the above table and figure we can find that, out of 100 sample size, 54% of respondents strongly agree that promotions from retailer for private labels increase the store loyalty followed by 39% of respondent's agree, 4% of respondents are average, 2% of respondents are disagree, and 1% respondents are strongly disagree. From this we come to know that respondents strongly agree that promotions from retailer for private labels increase the store loyalty.

It can also be seen that Mean is 1.57 and Mode is 1, which means maximum number of respondents strongly agree that promotions by retailer influence store loyalty.

FINDINGS

- Media (for example 32%) assumes a larger part job in building mindfulness about the private names.
- Price awareness (for example 73%) of respondents portrays significance given to cost and offers on the items.
- Private marks quality (for example 52%) of respondents concurred that nature of private marking were acceptable.
- 56% of respondents unequivocally concurred that increasingly number of private marks will help in building store dedication
- Pricing, Private marks, and quality viewpoints makes the shopper reliability towards the store.
- 59% of respondents firmly concur that new and creative private names assemble the store faithfulness.
- Promotional exercises like billboard, flags, and advertisements by the retailer will help in building the store reliability.
- 54% of respondents unequivocally concur that advancements by retailer for private names impact on building store faithfulness.
- 51% of the respondents unequivocally concur that the private names quality increment impact on store faithfulness
- Employee (for example 52) and house spouse's (for example 43) are the potential clients for the development of the retail outlets.
- Store dependability and nature of private names are needy of one another
- Store dependability and value differential between national brand and store brand are reliant from one another.
- Private names are overwhelming 50 percent in Indian retail. Portion of private names have been continually expanding contrasted with national level brands.
- Private name is a major world that guarantees an assortment of classes like attire, goods, journal items, cleansers, scents and antiperspirants, and human services items and which rule the significant offer.
- At Present private names are estimated 10-20% lower than contending marked products in the market. Most retailers are looking at 20 to 40 percent development in their private name section in the following three years.

A Study on Role of Private Labels in Building Store Loyalty in Bangalore

- Quality private marks unquestionably produce an extremely elevated level of devotion among clients.
- Indian retail organizations start to fabricate an association from enormous goliaths like Wal- shop and FMCG organizations, for example, P&G to assemble the solid market hold.
- Discounting, offers, is the significant qualities of the Indian retail showcase as it is ruled by the value delicate working-class clients.
- The retail segment will give huge business chances to the individuals.
- Many of the individuals consider sorted out to be as a diversion factor which makes them pulled into such outlets.
- Easy to pick all classifications of food, social insurance, basic food item, clothing items under one rooftop.
- Shortage of stocks is a continuous issue looked by the customers.

SUGGESTIONS

1. The Indian retail segment is greater part dependent on chaotic structure, so composed structure ought to be center in a major manner.
2. Foreign Direct Investment in retail part is having an unfavorable effect on Pop and Mom stores; in this way FDI ought to be controlled so that it ought not influence the Pop and Mom stores.
3. There is feverish rivalry at present in the retail showcase, in this manner to make do in such rivalry the advertisers ought to receive new strategies to draw in clients and hold them.
4. The retail outlets as a rule face the issues of lack of stocks, so it ought to be pro- activated and wanted to keep up the stock appropriately.
5. The media exposure ought to be expanded to advance both the private marks and the outlet.
6. Competitive estimating procedures and offers to be engaged to hold potential shoppers.
7. Targeting the cost cognizant customer with serious valuing and offers, great quality products.
8. Retailer should manufacture the great connection with state / neighbor-hood government to confront the vulnerability.
9. At present Indian retail division has caught 4-5 percent of market, so it should increment to 10 percent.
10. The deals people on the store need satisfactory item preparing on the grounds that they are the individuals who handle the client inquiries with respect to the private name products.

CONCLUSION

The retailers are profoundly centred around media, special exercises to make the mindful of private names in the market, more on serious evaluating on private marks by new proposals to hold the old and new buyers towards the outlet, keeping up the private names quality viewpoints, firstly quality, evaluating and offers assume a significant job in private brands. Likewise, input and special exercises are significant for the achievement of a retail outlet and store brand (private name), private marks are using this chance to convey an incentive in addition to item, there by fulfilling the selfish needs of the clients, store advancement is a crucial instrument for the composed retailers to recognize target purchasers, persuade them to go to the stores and clandestine those to steadfast shoppers, private names are setting down deep roots and make their quality felt. It is a success win methodology for retailers and clients as it prompts better control on quality and estimating of the items. Clients are profited as their needs are more definitely by the retailers.

BIBLIOGRAPHY

Books Referred

- [1] Philip Kotler, Keller, KoshyJha (2007) Marketing Management, 12th Edition, Publisher PERSON Prentice Hall.
- [2] Raj Sethuraman and Catherine Cole, (1999), "Factors Influencing the Price Premiums that Consumers Pay for National Brands Over Store Brands" of, Vol. 8 No.4, pp. 340-351
- [3] Robert L. Steiner (2004), "The Nature and Benefits of National Brand/Private Label Competition", Review of Industrial organization, Vol. 24, No. 2, pp. 103-218.

- [4] TulinErdem, Ying Zhao, and Ana Valenzuela (2004), “Performance of Store Brands: A Cross- Country Analysis of Consumer Store-Brand Preferences, Perception, and Risk”,

Websites

- [5] www.wikipedia.com
[6] www.citehr.com
[7] www.indianretail.com
[8] www.brandchannel.com
[9] www.retailassociation.com
[10] www.Aditybirlaretaillimited.com
[11] www.futuregroup.com
[12] www.heritagefoodsindialimited.com
[13] www.mydigitalfc.com
[14] www.indianreport.com

Magazines Referred

- [15] The ICFAI Journal of Marketing Management
[16] Advertising Express ICFAI University
[17] A C Nielsen’s “The power of Private Label”, Report
[18] Journal of Retailing
[19] The ICFAI journal of services Marketing
