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CONSUMER ATTITUDES TOWARDS PURCHASE PARAMETERS OF STORE BRANDS IN MADURAI CITY

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Abstract
The retail industry has seen a tremendous growth in the size and market dominance of larger players, with greater store size, increased retail concentration, and utilization of a range of formats. The growth of an organized retailing is predominant across the globe. Organized retail is on the threshold of a boom in India. Branding is an important element in the retailing industry to influence customer perceptions and to drive store choice and loyalty. With the manifold increase of organized retailing in the urban and semi-urban areas, there is a necessity for the retailers to brand their retail outlet. The retailing business is greatly affected by the patronage behaviour orientations of shoppers. Due to the rapid growth of store brand market shares, researchers have looked into different influential factors, attempting to find out the reasons behind the success of these store products. The study of consumer helps the retail outlets to improve the marketing strategies by understanding, how consumers consider different attributes and make purchase decision that differ among various retail outlets, based on the level of importance and interest

The consumers' attitude towards the importance of purchase parameter while purchasing store brands in certain product categories like grocery, cereals and dhal items. In this study a consumer utility function, associated with the purchase of store brand, is expressed in terms of relative importance level/ranking for selected store brand grocery products. The study is descriptive in nature and is well structured. Self-administered questionnaire is developed on the basis of review of the literature and the store –intercept has been conducted and it aims at finding various parameters that influences consumer's purchase decisions on the store brand products.

The data has been collected from 488 respondents of four major retail outlets in Madurai city. The percentage analysis, ANOVA Test and are used to analyze the data and one-way analysis of variance has been administered to find out, the association between the profile of consumer and the attitudes towards purchase parameters of store brands.

Key Words: Store Brands, Attitude and Purchase Parameters.

Introduction

The organized retail sector is growing at a faster pace. Organized retail sector in India is at the nascent stage and has tremendous potential with respect to all the types of formats. The competition in the organized retail sector is increasing day by day. To keep up the competition, retail marketers find out various ways and methods to survive in today's cut-throat competition. Enhancing the effectiveness of retail organization is possible with a differentiating factor. Store brands give an edge to create a favorable impact on consumers. Every retailer today wants to capitalize on its product offering. Store brand is a strategic tool which every retailer in the organized sector capitalizes. In the retail competitive or world, store brand is emerging as a new business concept and is gaining momentum. Many of the large retailers have a wide range of store brands, irrespective of the product category that they deal in retail marketers. Store brands are called by different names in different context such as store brands, own brands, own labels, private brands, retailer's brands and home brands as stated by Pedro Galvan Guijo (2007). Baltas (1997) defines store brands as "brands owned, controlled, and sold exclusively by a retailer" (p.3). Store brands are products that are developed by retailers and made available for sale only through retailers.

Store brand products are typically those manufactured or provided by one company for offer under another company's brand. Store brand goods are available in a wide range of industries from food to cosmetics to car care. Now-a-days major supermarkets, hypermarkets, drug stores and discounters offer many products under the retailer's brand .For the store brand owners advantages are very significant and numerous. Some of the benefits are full control over the brand and its positioning, increased freedom in pricing strategy, more flexibility and shorter time-to-market for innovative products, reduced producer domination in the marketplace, improved control over stock levels, increased client dependence and customer loyalty, reduced supplier dependence, increased sales possibilities, opportunity to differentiate and provide variety, positive image building and marketing efforts. These are the benefits to oneself, not to that of competitors. For the end-user, store brands represent the choice and opportunity to regular purchase quality products in savings, compared to manufacturer brands, without waiting for promotional pricing. Store brands items consist of the same or better ingredients than the manufacturer's brands. As the vendor's name or symbol is on the package, the end-user is assured that the product meets the vendor's quality standards and specifications.

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Review of Literature

According to the ownership there are two types of brands. Manufacturer brand also called as producer brand or national brand which is owned and coordinated by a producer, whereas the store brand which is also a retailer's brand or own label is owned and coordinated by a retailer or a buying group. It is produced by a contracted manufacturer as viewed in Berthon et al. (1999). The store brands are increasing rapidly. They are the major factors in the developed food market place and act as a significant threat to producers brands and manufacturers profitability as discussed by Baltas (1997), Guerrero et al. (2000).

Kumar and Steenkamp (2007) have defined store brand as any brand that is owned by the retailer or the distributor and is sold only in its own outlets. Retailer-owned brands, often called store brands have seen enormous growth in the last couple of decades in many countries and many product categories. This has been examined in the research work by Connor et al. (1996), AC Nielsen (2005), Berges Sennou et al. (2003).

Nair Lakshmi (2011) highlights on the changing perceptions of customers towards private labels & the importance they attach to such brands while making purchases. There is no major difference in the preference of customers for private label brands as compared to national level brands. There is a substantial potential market for private label brand' in the Indian environment. With respect to quality & price perceptions of private label brand's, Indians are still somewhat skeptical about quality of private label brands, due to which penetration of private label in the grocery sector is relatively poor. Customers thought that national brands provide hedonic utility & quality; whereas private label brands' are lower priced & lack strong recognition. Product packaging is an important component. It was researched that, majority of private label packages do not visually display that actual product contents. This may prove detrimental to product sales by failing to encourage conversion from mass market. For communicating the benefits of private label brands, television is the most effective way of communicating the advantages offered by these brands. cereals, pulses & spices category were most preferred private label whereas packaged food, fruits & vegetables, milk & milk products, Meat, fish & poultry & beverages followed respectively.

Neelmani Nilesh (2011) has studied the attributes on which consumers evaluate both private labels & national brands & to compare the attitude of consumers towards private & national brands. Consumers still believe that national brands have a better quality as compared to private labels. The gap between the national & private label has narrowed. Regarding price, the consumers believe that private labels have higher value for money as compared to National Brands. In terms of risk, consumer believes that national brands are less risky to buy as compared to private labels. Also the consumers' attitude towards private label being risk free is very close to that of national brands. With regards to freshness, packaging & health as an attribute, consumers' don't differentiate between store brands and national brands. National brands are better perceived to have a higher prestige & image as compared to private labels. It is a matter of concern for national brands, as private label brands in India is in early stage & is all set to grow.

Pandya Amit & Joshi Monarch (2011) have focused on consumers attitude towards private label. It compares the customers' attitudes towards national brands & private label with to different attributes like quality, price, risk, packaging & image. Analysis of consumers' attitudes towards national brands & private labels show that there was attitudinal difference on the attributes of quality, price & risk. Customers are indifferent with respect to packaging & image. Attitudinal difference was observed for attributes of packaging of personal care products & price & risk in consumer durable products. Attitudinal difference was not observed on the attributes of quality, packaging & image for consumer durable products. Perception of quality is an important element relating to private label brand use; if all brands in a category are seen as sharing a similar quality, then private label brand use is often observed to increase. Quality is more important than price to shoppers. Importance of pricing as an attribute influences customer's acceptance of private labels. There is a danger for a retailer using low price for private label.

The Lancaster's theory of demand for attributes provides a theoretical framework for studying consumer's preference towards store brand. Lancaster (1966) has stated that goods are comprised of attributes. Consumers purchase goods because of the account they have rather than goods. For example, decisions to purchase store brands are based on parameters such as freshness, food safety, price, taste, flavors, and convenience and so on. The utility is derived from the characteristics or the properties of the products which represents the attributes rather than the nature of the goods. In this study a consumer utility function associated with the purchase of store brand is expressed in terms of the relative importance levels for selected store brand grocery products. The review of past research by Xiaoping Miao (2003) on consumers' preference for meat attributes in retail outlets focuses on characteristics, in order of importance, when purchasing meat. This characteristic plays a substantial role in the purchase of store brand products. The previous literature on consumer preference of meat attributes, the marketing study by Chen et al (2002) has provided a guideline for the measurement of product purchase parameters like

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cleanliness, inspection stamp and certificate, proper packaging, purchase convenience, competitive price, food safety, easiness to prepare, flavor, freshness and discount.

Objectives of the Study

- To identify the consumer attitude towards the importance of purchase parameters of store brands.

Methodology

The Consumers usually compare several different brands before deciding which option to purchase. For example, a consumer at a grocery store compares the characteristics of different products before purchasing. With changing consumer preferences, specific parameters of grocery products such as colour, taste, freshness and others have become increasingly important in influencing consumers' purchase decision. The specific ten store brand characteristics include cleanliness, inspection stamp and certificate, proper packaging, purchase convenience, competitive price, food safety, easiness to prepare, flavor, freshness and discount as stated by Xiaoping Miao (2003). The consumers are asked to rate the parameters or characteristics on a five point scale as '1' being 'Not at all Important' and '5'being 'Extremely Important', while purchasing store brand at the store. The data has been collected from 488 respondents of four major retail outlets in Madurai city. The percentage analysis, ANOVA Test and are used to analyze the data and one-way analysis of variance has been administered to find out, the association between the profile of consumer and the attitudes towards purchase parameters of store brands.

Analysis and Discussion

The Distribution and Profile of the Respondents in each Retail Outlet

The study is conducted in the organized retail outlets of Madurai city namely Reliance, More, Spencer's and SKDS. The consumers of these four retail outlets are considered as representative samples which cover different customers and different retail segments of Madurai city. The organized retail outlets are emerging with their own brands. Tremendous changes in consumers purchase patterns, among different retail outlets, are found relevant to study the perception of store brands among consumers of various retail sectors or segments.

Table 1: The Distribution of Respondents in Retail Sector-Wise

S. No	Name of the Retail Outlet	No. of Respondents	Percent to the Total
1	Reliance	180	37
2	More	68	14
3	Spencer's	108	22
4	SKDS	132	27
	Total	488	100

Profile of the Respondents

This section describes the characteristics of the respondents. In the survey, eight personal characteristics are obtained from the respondents. They are gender, age, occupation, monthly household expenses, duration of consumer visit and store brand purchase, frequency of purchase and preferred grocery items. A detailed description of the respondents for this study is illustrated in Table 2.

Table 2: Profile of the Respondents

S. No	Particulars	No of Respondents	Retail outlets								Total %
			Reliance		More		Spencer's		SKDS		
			No	%	No	%	No	%	No	%	
1.	**Gender**										
	Male	131	54	30	28	41	21	19	28	21	27
	Female	357	126	70	40	59	87	81	104	79	73
	TOTAL	**488**	**180**	**100**	**68**	**100**	**108**	**100**	**132**	**100**	**100**
2.	**Age**										
	20 – 29 years	73	27	15	22	32	18	17	6	5	15
	30 – 39 years	214	77	43	22	32	42	39	73	55	44
	40 – 49 years	124	47	26	17	25	28	26	32	24	25
	50 – 59 years	62	21	12	6	9	16	15	19	14	13
	60years & above	15	8	4	1	2	4	4	2	2	3
	TOTAL	**488**	**180**	**100**	**68**	**100**	**108**	**100**	**132**	**100**	**100**
3.	**Occupation**										
	Salaried	142	48	27	28	41	24	22	42	32	29
	Business	56	23	13	12	17	10	9	11	8	11
	Professional	21	13	7	2	3	2	2	4	3	4

	Homemaker	269	96	53	26	39	72	67	75	57	55
	TOTAL	**488**	**180**	**100**	**68**	**100**	**108**	**100**	**132**	**100**	**100**
4.	**Monthly grocery expenditure**										
	Rs.< 1000	29	17	10			1	1	11	8	6
	Rs.1001-2000	204	87	48	26	38	24	22	67	51	42
	Rs.2001-3000	160	50	28	31	46	38	35	41	31	33
	Rs.3001-4000	61	15	8	10	15	26	25	10	7	12
	Rs.4001-5000	23	9	5	1	1	11	10	2	2	5
	Rs.> 5000	11	2	1			8	7	1	1	2
	TOTAL	**488**	**180**	**100**	**68**	**100**	**108**	**100**	**132**	**100**	**100**
5.	**Duration of consumer visit**										
	Last 6 Months	34	7	4	6	9	3	3	18	14	7
	Last 1 Year	90	34	19	27	40	3	3	26	20	18
	1-2 Years	148	62	34	30	44	33	30	23	17	30
	2-3 Years	167	64	36	5	7	51	47	47	36	35
	> 3 Years	49	13	7	-		18	17	18	13	10
	TOTAL		**180**	**100**	**68**	**100**	**108**	**100**	**132**	**100**	**100**
6.	**Frequency of purchase**										
	Fortnightly	32	14	8	-	-	6	5	12	9	6
	Monthly	418	150	83	60	88	100	93	108	82	86
	Once in 2 months	38	16	9	8	12	2	2	12	9	8
	TOTAL	**488**	**180**	**100**	**68**	**100**	**108**	**100**	**132**	**100**	**100**
7.	**Grocery Items**										
	Cereals	41	2	1	18	27	2	2	19	14	9
	Dhal	25	9	5	4	6	7	6	5	4	5
	Masala Powders	36	17	9	5	7	3	3	11	8	7
	Flours	101	62	34	18	26	4	4	17	13	21
	Ready to eat foods	274	84	47	23	34	92	85	75	56	56
	Others	11	6	4							2
	TOTAL	**488**	**180**	**100**	**68**	**100**	**108**	**100**	**132**	**100**	**100**
8.	**Store brand purchase**										
	Last 6 Months	34	7	4	6	9	3	3	18	14	7
	Last 1 Year	90	34	19	27	40	3	3	26	20	18
	1-2 Years	148	62	34	30	44	33	30	23	17	30
	2-3 Years	167	64	36	5	7	51	47	47	36	35
	> 3 Years	49	13	7	-		18	17	18	13	10
	TOTAL	**488**	**180**	**100**	**68**	**100**	**108**	**100**	**132**	**100**	**100**

In total 73% of the total consumers are female whereas the remaining 27% percent are male. The gender wise analysis shows that majority of the consumers who visit the retail outlets are female. The majority of the shoppers are female and most of the respondents are home makers. In total, 44% of the consumers belong to 30-39 years in all the four retail outlets. Among the four major retail outlets, 67% of home maker shoppers prefer Spencer's because of the various category of the availability of products. In the same age group 55% of consumers visits SKDS for shopping.

It has been found that in all the four retail outlets maximum 42 % of the consumers spend an average of Rs. 1001 to Rs.2000 for the monthly grocery purchase. Majority 51% and 48% of SKDS and Reliance consumers who spend between Rs. 1001 to Rs.2000 for monthly grocery purchase because the cost of the store brands offered by the retail outlets are affordable.

Major consumers of Reliance, Spencer's and SKDS retail outlets visit the store for the last 2-3 years and all the consumers are purchasing store brands from the days of visiting the particular store. It has been found in this research survey that majority of 86 % of the total consumers frequency of shopping is once in a month. Ready to eat foods is the most preferred item in the grocery product category which is referred to as the consumer's preference in all the four retail outlets.

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Association between Profile of Consumer and the Attitude towards the Importance of Purchase Parameters of Store Brands

The profile of the respondents plays an important role in level of importance on purchase parameters of store brands; the study has made an attempt to examine the association between these two variables with the help of one way Analysis of Variance. The profile variables are gender, age, occupation, average monthly grocery expenditure, frequency of consumer visit, shopping frequency at the store, duration of store brand purchase, product categories and specific retail outlet. The result of one way Analysis of Variance is presented in the Table 3.

Table 3: The Table Showing Association between the Profile of the Consumer and the Attitudes on the Purchase Parameters of Store Brands

S. No	Parameters	F-Statistic									
		Cleanliness	**Inspection stamp & certificate**	**Packaging**	**Purchase Convenience**	**Competitive Price**	**Food safety**	**Easy to prepare**	**flavour**	**Freshness**	**Discount**
1.	Gender	0.75	0.30	0.28*	0.99	0.78	0.78	0.47	1.15	-1.33	2.06
2.	Age	0.12	0.13	0.47	0.39	0.67	2.14	0.23	0.41	0.59	1.10
3.	Occupation	2.39*	1.37	1.06	0.62	0.96	0.63	0.81*	2.86*	2.02	2.96*
4.	Grocery Expenditure	0.72	14.83**	2.66*	0.62	0.42	2.07	1.54	0.64	3.17*	2.06
5.	Consumer visit	1.82	7.44**	1.20	3.73*	1.52	1.87	0.31	1.9	2.45*	3.63*
6.	Frequency of visit	0.86	4.14*	2.90*	0.28	1.69	0.46	1.76	0.63	2.24	2.83*
7.	**Duration of purchase**	**2.82***	**7.44****	**3.20***	**3.73***	**4.52***	**2.87***	**2.30***	**1.90**	**2.45***	**3.63***
8.	**Product category**	**6.17***	**10.81****	**2.66***	**3.11***	**2.96***	**2.71***	**3.23***	**3.43***	**4.26***	**2.85***
9.	Decision	0.43	0.04	0.08	0.45	0.10	0.34	0.02	1.57	1.01	1.32
10.	**Retail outlets**	**2.45***	**399.86****	**4.31***	**5.54***	**2.66***	**5.07***	**0.29**	**2.25**	**55.38****	**18.91****

* Significant at 5% Level ** Significant at 1% Level

From the above Table 4.13 it is inferred that regarding the importance of purchase parameters on 'Cleanliness', the significantly associating profile variables are occupation; duration of store brand purchase; product categories and retail outlets since the respective 'F' statistics are significant at five percent level.

Regarding the level of importance on 'Inspection Stamp and Certificate', the significantly associating profile variables are average monthly grocery expenditure, frequency of consumer visit, shopping frequency at the store, duration of store brand purchase , product categories and specific retail outlet since the respective 'F' statistics are significant at five and one percent level.

Consumers consider 'Packaging' as important purchase parameters while purchasing store brand products as it is significantly associated with the profile variables like gender, average monthly grocery expenditure, shopping frequency at the store, duration of store brand purchase, product categories and specific retail outlet, since the respective 'F' statistics are significant at five percent level. As per the parameters when purchasing store brand products with regard to 'Purchase Convenience', the significantly associating profile variables are frequency of consumer visit, duration of store brand purchase, product categories and specific retail outlet since the respective 'F' statistics are significant at five percent level.

Consumers attitude towards parameters with regard to 'Competitive Price' and 'Food Safety' when purchasing store brand products has significant relationship with profile variables such as duration of store brand purchase, product categories and specific retail outlet, since the respective 'F' statistics are significant at five percent level. Regarding the purchase parameters like 'Easy to Prepare' and 'Flavor', only few profile variables such as occupation, duration of store brand purchase and product categories are statistically significant at five percent level.

As 'Freshness' is one of the parameters considered to be very important, the significantly associating profile variables are monthly grocery expenditure, frequency of consumer visit, duration of store brand purchase, product categories and specific retail outlet, since the respective 'F' statistics are significant at five and one percent level. Regarding the importance of purchase parameters on 'Discount', the significantly associating profile variables are occupation , frequency of consumer

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visit, shopping frequency at the store, duration of store brand purchase, product categories and specific retail outlet, since the respective 'F' statistics are significant at five and one percent level .

Finally, it is found that consumers of all retail outlets have different attitudes towards purchase parameters of store brand products in each retail outlets, since the consumers who purchase store brands at different outlets are from various market segments. The study also reveals that duration of store brand purchase and product categories are the important profile variables which have influence on almost all the purchase parameters of store brand.

Conclusion

The findings regarding the purchase parameters of store brand products indicate that the results from ANOVA test in respect of different retail outlet, is proved that while purchasing store brand products there is no significant difference in purchase parameters like 'Easiness to Prepare' and 'Flavor' among all the four major retail outlets. The research indicates that there is no significant difference between age group and purchase parameters. Other profile variables are associated with consumer attitudes towards purchase parameters. There is a statistically significant association between gender and packaging. Occupations have significant relationship with 'Cleanliness' followed by 'Easy to prepare', 'Flavor' and 'Discount'. Finally, it is found that the duration of purchase; the product categories and type of retail outlet has significant relationship with the customer attitude on the purchase parameters of store brands .The findings of the current research are supported, by Nair Lakshmi (2011) who highlights on the changing perceptions of customers towards store brands and the importance they attach to such brands while making purchases. The factors influencing the purchase decision for store brands are: perceived quality; freshness; packaging; health; availability of alternatives; sales promotion and advertising. It is identified that, majority of store brand packages do not visually display that actual product contents. This provides detrimental to product sales. Attractive packaging is essential to persuade the target market and core content is of similar quality to other manufacturer brands in that product category. Hangzhon Shanghai (2000) study reveals that the most important attributes are 'Inspection stamp and certificate' and 'Freshness'. Food safety is valued higher by homemakers who are the major grocery shoppers for the families.

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