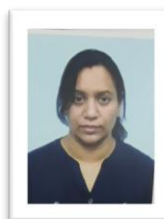


# Perception of Consumers towards Private Labels of Big Bazaar (Food & Apparels) In Delhi NCR



**Vijendra Dhyani**  
Visiting Faculty,  
Deptt. of Management,



**Sudha Dhyani**  
Senior Assistant Engineer,  
Bharat Electronics Limited,  
(A Ministry of Defence Undertaking),  
Ghaziabad

## Abstract

The concept of Private label is new in Indian market. Most of the consumers are not aware of the term 'Private Labels'. They still believe the quality & trust of the existing national brands. The main reasons that have been cited in the business and academic press for retailers' desire too stock private labels are higher retail margins on private labels, Negotiating leverage with national brand manufacturers and Higher consumer store loyalty. The private label brand choice is depending on 'experience', 'value', 'time utility', 'possession utility', 'mechanism' and 'place utility'. Common perception that a private label's primary attraction was the substantial price discount relative to the national brands, at which they were sold. They emphasized the role of quality in the private label purchase decision. Several studies have examined the role of taste on the perceptions of private label brands. However, the national brands were still perceived by consumers to be superior to the regional or local store brands. Retailers are coming up with innovative marketing techniques to position their brands on par with the national brands. The focus is to build the favourable perception around the store brands. For example, Private labels of shoppers stop such as Vittorio Frattini, Stop, and Kashish are positioned as premium apparels. It is observed that retailers give lot of shelf space in attractive places to store brands in order to create more visibility. Big Bazaar's private labels viz tasty treat, premium Harvest, fresh and pure are placed at the atrium to create more visibility. Ample amount of research work has been undertaken in the area of private brands in different perspective. Most of the studies focused on the demographic and socio-economic characteristics of consumers. Another factor influencing consumer perception of private brands is the packaging. The customers sometimes are attracted towards these private brands as their packaging is being made attractive. Since retailers do not advertise for these private brands, their advertising and promotional efforts are confined within the store; also, most of the consumers are not aware about these private labels so retailers have to create a good and attractive packaging to woo the visiting consumers. Although in case of private labels, the pricing strategies play an imperative role but the importance of packaging can definitely not be ignored for the success of the private labels.

**Keywords:** Big Bazaar, Perception Packaging, Value, Time Utility, Price Discount.

## Introduction

The term private label can be defined as products marketed by retailers and other members of the distribution chain. Private Label is any brand that is owned by the retailer or the distributor and is sold only in its own outlets. They are also called in-store brands. Strong Private Labels have been exported by one retailer to another, typically based on an exclusive agreement. That brand is the retailer's own name or a name created exclusively by that retailer. From apparel, healthcare products and furnishings to consumer items, private labels are making their presence felt in a variety of retail items in the country. In the dogfight world of retail, the private label is emerging as a new business model. Most retail chains in the country are increasingly relying on private labels to bridge the gap in their product mix and are targeting specific needs of consumers. Though, private labels at present constitute about 5% of the organized retail business, experts feel they can grow up to 30% once retail brands develop in the country. Retailers like Pantaloons, Shopper's Stop, More; Reliance,

Tesco, Lulu and Carrefour are expanding their range of private label products from cosmetics and food to clothing to improve the profit margins of their stores.

Globally, store brands account for 17 – 20 % of retail sales, on an average, while in India, Private brands account for close to 2 % of modern trade sales, compared to 1 % in China. In some retail segments, Private Labels account for 40 to 50 percent of sales. Some store brands have been able to position themselves as premium brands. Sometimes store-branded goods mimic the shape, packaging, and labeling of national brands, or get premium display treatment from retailers.

The concept of Private label has emerged from organized retail Market. These brands help the marketers to earn good profit by giving them good margins. In- store brands are 5-20 % cheaper than their National Counterparts. These brands are contributing reasonably well in total sales of the firm. The contribution of private labels in total sales of Shoppers Stop is 20 %, For Reliance Trends the figure is 80 % while for Pantaloon the contribution is 75 % & in case of TATA Trent, it is 90 %. “Tasty Treat” – A private label of Big Bazaar launched few years ago in segments like pickles, ketchups, jams and papads competes with National Brands on price and is about 25-30 % cheaper, while in pickles it is 40-60 % cheaper. Wal-Mart’s apparel products are sold under “George” brand. In fact, in this era of global recession, almost all retail chains have seen a dip in the sales. Only Wal-Mart registered a rise in sales that season – just 3 per cent – that too because 35 per cent of its sales come from private labels. (Source: Marketing Mastermind, April 2011). The Private Labels have great future and Marketers cannot ignore this fast growing segment.

Although the Private Labels have reasonably good contribution in the sales of the firm but till date, no research has been done on this topic, which can explore the world of Private Labels. This study would be instrumental in nature, which will definitely be beneficial to Marketers, Consumers, overall society and the economy.

#### **Review of Literature**

S.PREETHI in her study “A Study on Consumer Perception of Retail Outlet With Reference To Big Bazaar, Chennai” (2017) revealed that majority of the respondents has expressed a very positive attitude towards the variables used in the questionnaire to find the effectiveness of training which enabled them to reach their required goal. Rakesh Kumar Patra, Ansuman Jena in a study “An Exploratory Study on the Growth of Private Label Brands in India” in Abhinav National Monthly Refereed Journal of Research in Commerce and Management, Volume 5, Issue 6, June, 2016 mentioned that throughout the world, the private label is winning acceptability and loyalty of the customers. The market of private labels in India is also witnessing enormous growth. Perceptions of the customers are changing about private labels from low price alternative to quality and status symbol. Still growth of private labels is slow in compare to national brand.

For those retailers should adopt innovative marketing strategy to attract customers, consistent quality, maintain the brand promise and increase awareness

Sagar Malviya “Sales of FMCG, beverages at Big Bazaar grew over 15% in FY16” in ET Bureau Jun 03, 2016 concluded that Sales of fast moving consumer goods (FMCG ) and beverages have grown over 15% at the country's largest supermarket chain Big Bazaar in FY16 even as the sales of the category in the overall modern trade grew just 2%, At present, Future Group outlets sell nearly 10% of all cereals sold in India while the contribution is 12% for olive oil, soy and cheese. In fact, it is the largest buyer for several MNCs products, including Hindustan Unilever and Procter & Gamble. Hence, experts feel Future Group could be at risk for alienating other brands in favour of its own labels. G. Murali Manokari, R. Sree Devi in “A Study on the Satisfaction Level of Employees Working at Bigbazaar, Coimbatore” in PARIPEX - INDIAN JOURNAL OF RESEARCH, Volume: 5 | Issue: 2 | February 2016 stated that Non-monetary rewards should be included in reward schemes. The company can introduce training programs to assist employees to accelerate their growth opportunities within the company. The employee who meets the parameters, gives successful performance could be rewarded with certificates mentioned in the company web-site. These types of rewards can contribute to satisfying the employees needs. Introducing non-monetary rewards when a team achieves goals and objectives could satisfy those needs.

Udhaya Selvaraj’s study “A Study on Consumer Perception towards Private Labels in Organized Retail Stores” in PARIPEX - INDIAN JOURNAL OF RESEARCH, Volume: 4 | Issue: 7 | July 2015 shows that rather than simply selling at lower prices, the retails outlets are taking efforts to offer better products under their umbrella. As retailers have started to realize the importance of private labels, every effort is taken to build better brands and retain the customers. In spite of the measures taken private brands lack certain features when compared to national brands. Maintaining good quality, taste and frequent promotions are essential to fight against the big giants- the national brands. In other research “A Study on Consumer Perception Regarding Private Label Branding in India” by Sunita Kumar in European Journal of Business and Management Vol.7, No.10, 2015 concluded that national brands are undertaking efforts to be in level with the increasing market share that the private label brands are capturing. Also various factors are at play when a consumer is purchasing private label brands some of which include atmospheric, personality associated with the brand etc. The consumer perception is neutral to positive although unable to exhibit string agreement toward positive perception. The shoppers who shop for 1, 2 and 3 times are loyal to private brands. And those who shops more than 3 times are not loyal to private brands. The shoppers, who are loyal to any brands in general, are also loyal to private brand like any other brand. There is preference towards PLB although strong preference cannot be derived. In the study of

Subodh Saxena, Ritu Srivastava "Private Label Perception of Customers: Effects Of Socio Demographic Variables" in SMS Varanasi; Vol. XI, No. 2; December 2015 found that it is important to identify what drives private-label market and to understand the characteristics of the modern shopper. With growing levels of disposable income, shoppers are far more open to experimenting with products than ever before. With the rise of modern retail store, the perceptions about shopping have changed. Rather than viewing shopping as a chore, more and more Indians are finding it to be an enjoyable experience.

Dr.V.Antony Joe Raja in his research "A Study on Consumer Behaviour towards Big Bazaar, Chennai" in International Journal of Management (IJM), Volume 6, Issue 7, July (2015), pp. 01-09 revealed that the customers are highly satisfied with the variety of products, but at the same time they are not very happy with the quality and availability of branded products. Big Bazaar has definitely succeeded in keeping up its image of a value for money store, as its price has been rated positively. The promotions are not hitting the target. Although Big Bazaar has been promoting their offers, most of the customers are introduced to these only at the store. Customers are delighted with the location of Big Bazaar as it is located in the most intensely populated area of Chennai. Big Bazaar has been successful in keeping up its promise of providing value for money goods, but today customers look beyond price, such as quality, employee behavior, store atmosphere etc. Big Bazaar has scope for improvement in these yields. M. Raja and Dr.M. I. Saifil Ali's research paper "An Analysis of Consumer Perception towards Retail Brands in Big Bazaar, Chennai" in Indian Journal Of Applied Research Volume : 4 | Issue : 2 | Feb 2014 | ISSN - 2249-555X also explained that Private label brands have made tremendous inroads over the past two decades. Indian retailers continue to expand the domain of private label offerings though the success of PLBs has been limited to segments of consumers and certain product categories. In this research the objectives were to assess how PLBs are perceived in a multicultural context. The findings reveal that PLBs have good image, consumers are satisfied with its packaging, and they are quality and more economical. Consumers believe that PLBs are not associated with luxury goods. Prasanth MK, Dr.J Balan's research paper "A Study on the Consumption Pattern of Private Labels in Kerala with Reference to Grocery and FMCG" in International Journal of Scientific & Technology Research Volume 2, Issue 2, February 2013 gave the conclusion that 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.

Another research paper "The rising consumer acceptance towards Private label offerings: A study of the Indian retail market with special reference to the State of Gujarat" in Research Journal

of Economics and Business Studies 2(1):71-80 · January 2012 by Sujo Thomas revealed five perception factors through the application of Principal Component analysis- Assortment & Information, Price sensitivity, Risk consciousness, Quality consciousness & Rationality. Moreover, it also attempts to bring out the managerial implications when it gets to the administration of the private label offerings. The research paper "Determinants of Consumer Buying Behaviour: An Empirical Study of Private Label Brands in Apparel Retail" in Vilakshan: The XIMB Journal of Management . Sep2011, Vol. 8 Issue 2, p43-56 by Krishna, C. V. mentioned that previously the manufacturing brands used to lead the apparel category in the early days and the penetration of the private label brands was very small. But now things have changed and private label brands are leading in every segment. In the apparel segment also many private label brands are leading the competition. Consumer buying behavior is mainly affected by many determinant factors and this paper aims at understanding and identifying the important determinant factors affecting the consumer buying behavior towards private label apparel. Private label brands are very successful because they offer many advantages to the consumers. Consumers are mainly affected by many internal factors like demographic, personality and lifestyle and many other factors while purchasing apparel. Consumers are also affected by many external factors like brand image, price, design and quality while buying private label apparel brands. Camelia Pavel's research "THREATS AND OPPORTUNITIES OF PRIVATE LABELS" in Review of Management and Economical Engineering, 2007, Vol. 6, No. 6, gave the conclusion that across the entire world, consumers are being exposed to a proliferation of national brands and retail offers, driven by both retailer and manufacturer innovations. One of these innovations is referring to private labels which are one of the most discussed issues and has a major impact on retailer's activities nowadays. Frequently decisions of manufacturers and retailers have to face regarding private labels. It has been an important tool for the distributor in a very competitive sector and has played different roles for the manufacturers, coming from threats to opportunities. Finally, the paper "Brands Versus Private Labels: Fighting to Win" by John Quelch, David Harding in Harvard Business Review, January–February 1996 had the outcomes as National-brand manufacturers can use some or all of the strategies outlined above to win the battle against private-label producers. Consider the results of the Coca-Cola Company's response to Cott in Canada, where the market for private-label soft drink sales was strong. After Coca-Cola retaliated aggressively against Cott in 1994, the latter's profits as a percentage of sales plummeted along with its stock price; the company then moderated its ambitions to extend its private-label success formula to other product categories.

#### **Objectives of The Study**

1. To analyze the perception of consumers for private brands in food & apparel segment of Big Bazaar in Delhi & NCR.

2. To find out the impact of packaging of private brands on consumer preference.
3. To identify the consumer perception of quality of store brands in food & apparel segment of Big Bazaar in Delhi & NCR.
4. To find out the consumer opinion on the prices of private brands.

**Hypotheses for the study**

**H0A** – There is no difference in the quality of Private Labels and National Brands.

**H1A** - There is significant difference in the quality of Private Labels and National Brands.

**H0B** – There is no difference in the budget while Purchasing Private Labels.

**H1B** - There is a difference in the budget while Purchasing Private Labels.

**H0C** – There is no difference in purchase decisions of consumers because of Private Labels

**H1C** - There is a significant difference in purchase decisions of consumers because of Private Labels

**H0D** – There is no difference in the price of Private Labels and National Brands.

**H1D** - There is a significant difference in the price of Private Labels and National Brands.

**H0E** – There is no difference in Appeal factor (Packaging) of Private Brands and National Brands.

**H1E** - There is a significant difference in Appeal factor (Packaging) of Private Brands and National Brands.

**H0F** – There is no relation between the Purchase of Private Brands and Brand Loyalty.

**H1F** - There is a relation between the Purchase of Private Brands and Brand Loyalty.

**Research Design**

Since this research required lot of secondary data to complete the analysis, literature review on Big Bazaar and Private Labels was extensively used. The sampling used in this research is the convenience sampling to collect the data. The sample unit is the person (Male or female) who purchased something from Food and apparel section of Big Bazaar outlet. The population is all the people visiting mentioned Big Bazaar outlets in Delhi NCR and making a purchase from Food and Apparel section of the Big Bazaar outlet. The sample size chosen is 400. The sample is equally divided in males & females i.e. out of 400 target customers, 200 were males & 200 were females. Various statistical tools are used in this research. Various tests like one sample T test and Independent sample T test and Factor Analysis are applied. A total of ten outlets of Big Bazaar were covered in Delhi NCR. Since the sample size is 400, so a sample of 20 males and 20 females (Total 40) was taken from each Big Bazaar outlet.

**T-Test**

| One-Sample Statistics  |     |      |                |                 |
|--|-----|------|----------------|-----------------|
|  | N   | Mean | Std. Deviation | Std. Error Mean |
| Quality of Private Labels is Better than that of National Brands Quality   | 401 | 2.30 | 1.171          | .058            |
| Purchase of Private Labels reduces the Budget                              | 401 | 3.31 | .842           | .042            |
| Private Labels positively affect Purchase Decisions.                       | 401 | 3.27 | .877           | .044            |
| There is no difference in the price of Private Brands and National Brands. | 401 | 2.31 | 1.186          | .059            |
| Packaging of Private Labels is better in comparison with National Brands.  | 401 | 2.31 | 1.186          | .059            |
| Private Labels increases the Brand Loyalty                                 | 401 | 3.27 | .877           | .044            |
| Private Labels increases Price competition in store                        | 401 | 3.27 | .877           | .044            |

**One-Sample Test**

|  | Test Value = 3 |     |                 |                 |   |       |
|--|----------------|-----|-----------------|-----------------|---|-------|
|  | T              | df  | Sig. (2-tailed) | Mean Difference | 95% Confidence Interval of the Difference |       |
|  |                |     |                 |                 | Lower                                     | Upper |
| Quality of Private Labels is Better than that of National Brands Quality   | -11.941        | 400 | .000            | -.698           | -.81                                      | -.58  |
| Purchase of Private Labels reduces the Budget                              | 7.353          | 400 | .000            | .309            | .23                                       | .39   |
| Private Labels positively affect Purchase Decisions.                       | 6.262          | 400 | .000            | .274            | .19                                       | .36   |
| There is no difference in the price of Private Brands and National Brands. | -11.581        | 400 | .000            | -.686           | -.80                                      | -.57  |
| Packaging of Private Labels is better in comparison with National Brands.  | -11.581        | 400 | .000            | -.686           | -.80                                      | -.57  |
| Private Labels increases the Brand Loyalty                                 | 6.262          | 400 | .000            | .274            | .19                                       | .36   |
| Private Labels increases Price competition in store                        | 6.262          | 400 | .000            | .274            | .19                                       | .36   |

**H0A** – There is no difference in the quality of Private Labels and National Brands.

**H1A** - There is significant difference in the quality of Private Labels and National Brands.

Here, t calculated value is -11.941 with degree of freedom 400 and p-value = 0.00 < 0.05. Reject Ho. Also mean value is 2.30. This is less than 3.0, as indicated by a one sample t test. Thus, there is a difference in the quality of Private Labels and National Brands. The quality of Private Brands is not better than that of National brands.

**H0B** – There is no difference in the budget while Purchasing Private Labels.

**H1B** - There is a difference in the budget while Purchasing Private Labels.

Here, t calculated value is 7.353 with degree of freedom 400 and p-value = 0.00 < 0.05. Reject Ho. Also mean value is 3.31. This is more than 3.0, as indicated by a one sample t test. Thus, there is a difference in budget when consumers buy Private Labels. The purchase of private labels reduces the budget.

**H0C** – There is no difference in purchase decisions of consumers because of Private Labels

**H1C** - There is a significant difference in purchase decisions of consumers because of Private Labels

Here, t calculated value is 6.262 with degree of freedom 400 and p-value = 0.00 < 0.05. Reject Ho. Also mean value is 3.27. This is more than 3.0, as indicated by a one sample t test. Thus, Private Labels have positive effect on purchase decisions of consumers.

**H0D** – There is no difference in the price of Private Labels and National Brands.

**H1D** - There is a significant difference in the price of Private Labels and National Brands.

Here, t calculated value is -11.581 with degree of freedom 400 and p-value = 0.00 < 0.05. Reject Ho. Also mean value is 2.30. This is less than 3.0, as indicated by a one sample t test. Thus, there is

a significant difference in the price of Private Labels and National Brands.

**H0E** – There is no difference in Appeal factor (Packaging) of Private Brands and National Brands.

**H1E** - There is a significant difference in Appeal factor (Packaging) of Private Brands and National Brands.

Here, t calculated value is -11.581 with degree of freedom 400 and p-value = 0.00 < 0.05. Reject Ho. Also mean value is 2.30. This is less than 3.0, as indicated by a one sample t test. Thus, there is a significant difference in Appeal factor (Packaging) of Private Brands and National Brands. Thus the packaging of National Brand is better than that of Private Brands.

**H0F** – There is no relation between the Purchase of Private Brands and Brand Loyalty.

**H1F** - There is a relation between the Purchase of Private Brands and Brand Loyalty.

Here, t calculated value is 6.262 with degree of freedom 400 and p-value = 0.00 < 0.05. Reject Ho. Also mean value is 3.27. This is more than 3.0, as indicated by a one sample t test. Thus, there is a relation between the Purchase of Private Brands and Brand Loyalty. Thus the private brands help in making the customer loyal to the brand and store.

**H0G** – There is no impact of purchase of Private Brands on Price competition in the store.

**H1G** - There is an impact of purchase of Private Brands on Price competition in the store.

Here, t calculated value is 6.262 with degree of freedom 400 and p-value = 0.00 < 0.05. Reject Ho. Also mean value is 3.27. This is more than 3.0, as indicated by a one sample t test. Thus, there is an impact of purchase of Private Brands on Price competition in the store. The private labels, because of their aggressive pricing policies force the competitors to have a price competition in the store.

**T-Test**

| Group Statistics   |        |     |      |                |                 |
|--|--------|-----|------|----------------|-----------------|
|  | Gender | N   | Mean | Std. Deviation | Std. Error Mean |
| Quality of Private Labels is Better than that of National Brands Quality   | Male   | 200 | 2.06 | 1.119          | .079            |
|  | Female | 201 | 2.54 | 1.175          | .083            |
| Purchase of Private Labels reduces the Budget                              | Male   | 200 | 3.16 | .825           | .058            |
|  | Female | 201 | 3.45 | .836           | .059            |
| There is no difference in the price of Private Brands and National Brands. | Male   | 200 | 2.10 | 1.165          | .082            |
|  | Female | 201 | 2.53 | 1.171          | .083            |
| Packaging of Private Labels is better in comparison with National Brands.  | Male   | 200 | 2.10 | 1.165          | .082            |
|  | Female | 201 | 2.53 | 1.171          | .083            |
| Private Labels increases the Brand Loyalty                                 | Male   | 200 | 3.19 | .859           | .061            |
|  | Female | 201 | 3.36 | .889           | .063            |
| Private Labels positively affect Purchase Decisions.                       | Male   | 200 | 3.19 | .859           | .061            |
|  | Female | 201 | 3.36 | .889           | .063            |
| Private Labels increases Price competition in store                        | Male   | 200 | 3.19 | .859           | .061            |
|  | Female | 201 | 3.36 | .889           | .063            |

| Independent Samples Test   |                             |   |      |                              |         |                 |                 |                       |   |       |
|--|-----------------------------|---|------|------------------------------|---------|-----------------|-----------------|-----------------------|---|-------|
|  |                             | Levene's Test for Equality of Variances |      | t-test for Equality of Means |         |                 |                 |                       |   |       |
|  |                             | F                                       | Sig. | T                            | df      | Sig. (2-tailed) | Mean Difference | Std. Error Difference | 95% Confidence Interval of the Difference |       |
|  |                             |   |      |                              |         |                 |                 |                       | Lower                                     | Upper |
| Quality of Private Labels is Better than that of National Brands Quality   | Equal variances assumed     | 7.517                                   | .006 | -4.209                       | 399     | .000            | -.482           | .115                  | -.708                                     | -.257 |
|  | Equal variances not assumed |   |      | -4.210                       | 398.258 | .000            | -.482           | .115                  | -.708                                     | -.257 |
| Purchase of Private Labels reduces the Budget                              | Equal variances assumed     | 1.888                                   | .170 | -3.468                       | 399     | .001            | -.288           | .083                  | -.451                                     | -.125 |
|  | Equal variances not assumed |   |      | -3.468                       | 398.975 | .001            | -.288           | .083                  | -.451                                     | -.125 |
| There is no difference in the price of Private Brands and National Brands. | Equal variances assumed     | 3.237                                   | .073 | -3.664                       | 399     | .000            | -.427           | .117                  | -.657                                     | -.198 |
|  | Equal variances not assumed |   |      | -3.664                       | 399.000 | .000            | -.427           | .117                  | -.657                                     | -.198 |
| Packaging of Private Labels is better in comparison with National Brands.  | Equal variances assumed     | 3.237                                   | .073 | -3.664                       | 399     | .000            | -.427           | .117                  | -.657                                     | -.198 |
|  | Equal variances not assumed |   |      | -3.664                       | 399.000 | .000            | -.427           | .117                  | -.657                                     | -.198 |
| Private Labels increases the Brand Loyalty                                 | Equal variances assumed     | 3.057                                   | .081 | -1.926                       | 399     | .055            | -.168           | .087                  | -.340                                     | .003  |
|  | Equal variances not assumed |   |      | -1.927                       | 398.642 | .055            | -.168           | .087                  | -.340                                     | .003  |
| Private Labels positively affect Purchase Decisions.                       | Equal variances assumed     | 3.057                                   | .081 | -1.926                       | 399     | .055            | -.168           | .087                  | -.340                                     | .003  |
|  | Equal variances not assumed |   |      | -1.927                       | 398.642 | .055            | -.168           | .087                  | -.340                                     | .003  |
| Private Labels increases Price competition in store                        | Equal variances assumed     | 3.057                                   | .081 | -1.926                       | 399     | .055            | -.168           | .087                  | -.340                                     | .003  |
|  | Equal variances not assumed |   |      | -1.927                       | 398.642 | .055            | -.168           | .087                  | -.340                                     | .003  |

**H0A** – There is no difference in the opinion of Males and females for the quality of Private Labels and National Brands.

**H1A** - There is a significant difference in the opinion of Males and females for the quality of Private Labels and National Brands.

200 males have a mean of 2.06 and 201 females have a mean of 2.54. Here first we need to determine whether to consider Equal variances assumed case of unequal variance assumed case.

For this consider the following hypothesis.

**H0:** Equal variances assumed

**H1:** Unequal variances assumed

F-value is 7.517 with p-value = 0.06 > 0.05. Accept Ho. Thus, consider equal variances assumed case.

Further, t-calculated value is -4.209 with d.f. 399 and p-value 0.000 < 0.05. Reject Ho. Thus, a difference is observed in the opinion of males and females regarding the quality of Private Labels and National Brands. Females (Mean = 2.54) is evaluated higher than Males (Mean = 2.06) on quality difference in Private Labels and Private Brands.

**H0B** – There is no difference in the opinion of males and females regarding the change in budget while Purchasing Private Labels.

**H1B** - There is a difference in the opinion of males and females regarding the change in budget while Purchasing Private Labels.

200 males have a mean of 3.16 and 201 females have a mean of 3.45. Here first we need to determine whether to consider Equal variances assumed case of unequal variance assumed case.

For this consider the following hypothesis.

**H0:** Equal variances assumed

**H1:** Unequal variances assumed

F-value is 1.888 with p-value = 0.17 > 0.05. Accept Ho. Thus, consider equal variances assumed case.

Further, t-calculated value is -3.468 with d.f. 399 and p-value 0.001 < 0.05. Reject Ho. Thus, a difference is observed in the opinion of males and females regarding the change in budget while Purchasing Private Labels.

Females (Mean = 3.45) is evaluated higher than Males (Mean = 3.16) on change in budget while Purchasing Private Labels.

**H0C** – There is no difference in the opinion of males and females for the difference in the price of Private Labels and National Brands

**H1C** - There is a difference in the opinion of males and females for the difference in the price of Private Labels and National Brands

200 males have a mean of 2.10 and 201 females have a mean of 2.53. Here first we need to determine whether to consider Equal variances assumed case of unequal variance assumed case.

For this consider the following hypothesis.

**H0:** Equal variances assumed

**H1:** Unequal variances assumed

F-value is 3.237 with p-value = 0.073 > 0.05. Accept Ho. Thus, consider equal variances assumed case.

Further, t-calculated value is -3.664 with d.f. 399 and p-value 0.000 < 0.05. Reject Ho. Thus, a difference is observed in the opinion of males and females for the difference in the price of Private Labels and National Brands

Females (Mean = 2.53) is evaluated higher than Males (Mean = 2.10) on difference in the price of Private Labels and National Brands

**H0D** – There is no difference in the opinion of males and females for the Appeal factor (Packaging) of Private Brands and National Brands.

**H1D** - There is a difference in the opinion of males and females for the Appeal factor (Packaging) of Private Brands and National Brands.

200 males have a mean of 2.10 and 201 females have a mean of 2.53. Here first we need to determine whether to consider Equal variances assumed case of unequal variance assumed case.

For this consider the following hypothesis.

**H0:** Equal variances assumed

**H1:** Unequal variances assumed

F-value is 3.237 with p-value = 0.073 > 0.05. Accept Ho. Thus, consider equal variances assumed case.

Further, t-calculated value is -3.664 with d.f. 399 and p-value 0.000 < 0.05. Reject Ho. Thus, a difference is observed in the opinion of males and females for the Appeal factor (Packaging) of Private Brands and National Brands.

Females (Mean = 2.53) is evaluated higher than Males (Mean = 2.10) on Appeal factor (Packaging) of Private Brands and National Brands.

**H0E** – There is no difference in the opinion of males and females for a relation between the Purchase of Private Brands and Brand Loyalty.

**H1E** - There is a difference in the opinion of males and females for a relation between the Purchase of Private Brands and Brand Loyalty.

200 males have a mean of 3.19 and 201 females have a mean of 3.36. Here first we need to determine whether to consider Equal variances assumed case of unequal variance assumed case.

For this consider the following hypothesis.

**H0:** Equal variances assumed

**H1:** Unequal variances assumed

F-value is 3.057 with p-value = 0.081 > 0.05. Accept Ho. Thus, consider equal variances assumed case.

Further, t-calculated value is -1.926 with d.f. 399 and p-value 0.055 > 0.05. Accept Ho. Thus, no difference is observed in the opinion of males and females for a relation between the Purchase of Private Brands and Brand Loyalty.

Females (Mean = 3.36) is evaluated higher than Males (Mean = 3.19) on a relation between the Purchase of Private Brands and Brand Loyalty.

**H0F** – There is no difference in the opinion of males and females for the change in purchase decisions of consumers because of Private Labels

**H1F** - There is a difference in the opinion of males and females for the change in purchase decisions of consumers because of Private Labels

200 males have a mean of 3.19 and 201 females have a mean of 3.36. Here first we need to determine whether to consider Equal variances assumed case of unequal variance assumed case.

For this consider the following hypothesis.

**H0:** Equal variances assumed

**H1:** Unequal variances assumed

F-value is 3.057 with p-value = 0.081 > 0.05. Accept Ho. Thus, consider equal variances assumed case.

Further, t-calculated value is -1.926 with d.f. 399 and p-value 0.055 > 0.05. Accept Ho. Thus, no difference is observed in the opinion of males and females for the change in purchase decisions of consumers because of Private Labels

Females (Mean = 3.36) is evaluated higher than Males (Mean = 3.19) on the change in purchase decisions of consumers because of Private Labels

**H0G** – There is no difference in the opinion of males and females regarding the increase in price competition in store because of private labels.

**H1G** - There is a difference in the opinion of males and females regarding the increase in price competition in store because of private labels.

200 males have a mean of 3.19 and 201 females have a mean of 3.36. Here first we need to determine whether to consider Equal variances assumed case of unequal variance assumed case.

For this consider the following hypothesis.

**H0:** Equal variances assumed

**H1:** Unequal variances assumed

**Factor Analysis**

| <b>Descriptive Statistics</b>         |      |                |            |
|---------------------------------------|------|----------------|------------|
|                                       | Mean | Std. Deviation | Analysis N |
| Low Price                             | 3.31 | .591           | 401        |
| Variety of Products                   | 3.42 | 1.192          | 401        |
| Various Brand Options                 | 3.33 | 1.268          | 401        |
| Convenience                           | 3.36 | 1.263          | 401        |
| Good Ambience of the store            | 3.30 | 1.232          | 401        |
| Time Save                             | 3.27 | 1.231          | 401        |
| Different Payment Options             | 3.27 | 1.221          | 401        |
| Product Comparison                    | 3.23 | 1.217          | 401        |
| Discount                              | 3.28 | 1.200          | 401        |
| Various Promotional Schemes           | 3.17 | 1.178          | 401        |
| Quality of the Products               | 3.36 | 1.192          | 401        |
| Easy Return Policy                    | 3.37 | 1.235          | 401        |
| Good Behaviour of the Staff           | 3.38 | 1.215          | 401        |
| Less Waiting time at Billing Counters | 3.37 | 1.228          | 401        |
| Good Customer Service                 | 3.33 | 1.230          | 401        |
| Good Store Space                      | 3.34 | 1.229          | 401        |
| Convenient Location of the Store      | 3.34 | 1.233          | 401        |
| Special Schemes on Weekdays/Weekends  | 3.43 | 1.217          | 401        |
| Payback Points Scheme of Big Bazaar   | 3.45 | 1.206          | 401        |
| Products are Placed Conveniently      | 3.33 | 1.141          | 401        |

**Rotated Component Matrix<sup>a</sup>**

|                                       | <b>Component</b> |          |          |
|---------------------------------------|------------------|----------|----------|
|                                       | <b>1</b>         | <b>2</b> | <b>3</b> |
| Low Price                             | -.058            | .321     | .702     |
| Variety of Products                   | .327             | .811     | .340     |
| Various Brand Options                 | .392             | .869     | .145     |
| Convenience                           | .424             | .871     | .134     |
| Good Ambience of the store            | .495             | .852     | .066     |
| Time Save                             | .517             | .824     | .018     |
| Different Payment Options             | .553             | .814     | .020     |
| Product Comparison                    | .606             | .770     | -.018    |
| Discount                              | .528             | .807     | .017     |
| Various Promotional Schemes           | .516             | .742     | .017     |
| Quality of the Products               | .837             | .369     | .007     |
| Easy Return Policy                    | .873             | .383     | -.040    |
| Good Behaviour of the Staff           | .871             | .373     | -.052    |
| Less Waiting time at Billing Counters | .868             | .390     | -.034    |
| Good Customer Service                 | .823             | .516     | .058     |
| Good Store Space                      | .823             | .519     | .054     |
| Convenient Location of the Store      | .820             | .527     | .041     |
| Special Schemes on Weekdays/Weekends  | .776             | .407     | .296     |
| Payback Points Scheme of Big Bazaar   | .768             | .382     | .296     |
| Products are Placed Conveniently      | .089             | -.116    | .846     |

| <b>Factor Name</b> | <b>Mean</b>    | <b>Specific Attributes</b>            | <b>Factor Loading</b> |
|--------------------|----------------|---------------------------------------|-----------------------|
| <b>Factor 1 :</b>  | Mean =<br>3.37 | Quality of the Products               | 0.837                 |
|                    |                | Easy Return Policy                    | 0.873                 |
|                    |                | Good Behaviour of the Staff           | 0.871                 |
|                    |                | Less Waiting time at Billing Counters | 0.868                 |
|                    |                | Good Customer Service                 | 0.823                 |
|                    |                | Good store space                      | 0.823                 |
|                    |                | Convenient Location of the Store      | 0.820                 |
|                    |                | Special Schemes on Weekdays/Weekends  | 0.776                 |
| <b>Factor 2 :</b>  | Mean =<br>3.29 | Variety of Products                   | 0.811                 |
|                    |                | Various Brand Options                 | 0.869                 |
|                    |                | Convenience                           | 0.871                 |
|                    |                | Good Ambience of the store            | 0.852                 |



|                   |                |                                  |       |
|-------------------|----------------|----------------------------------|-------|
|                   |                | Time Save                        | 0.824 |
|                   |                | Different Payment Options        | 0.814 |
|                   |                | Product Comparison               | 0.770 |
|                   |                | Discount                         | 0.807 |
|                   |                | Various Promotional Schemes      | 0.742 |
| <b>Factor 3 :</b> | Mean =<br>3.32 | Low Price                        | 0.702 |
|                   |                | Products are Placed Conveniently | 0.846 |

**Inferences**

On an average, customers have given 3.37 score to factor 1. Therefore, customers are happy towards almost all aspects of Big Bazaar.

Factor 2 has an average score of 3.29. This implies customers are happy with the pricing of the store as well as the variety of the products in the store.

Factor 3 has an average score of 3.32. This implies customers are happy with the placement of the products in the store.

Mean rating for the perception of consumers for Big Bazaar is 3.33. This implies that as whole customers are happy and satisfied with Big Bazaar.

**Findings and Conclusion**

- The consumers vary differently on the quality of Private brands and National Brands. From the research, it was evident that the consumers consider the quality of National Brands much better than the quality of Private Brands.
- The budget of the consumers is reduced when the consumers purchase the Private Brands instead of National Brands from the outlet. It clearly shows that the price of the private labels is lower than that of National Brands.
- The Private Brands have a positive impact on the purchase decisions of the consumers. The consumers tend to feel happy while purchasing private brands from the Big Bazaar.
- The price of the private brands and national brands are not same. The consumers feel that there has to be the difference in the price of Private Brands and National Brands with National Brands falling on the higher side of the price.
- Packaging plays a vital role in making a product appealing to the consumers. The respondents here have the strong opinion that the packaging of National Brands is much better than the packaging of Private Labels.
- The study reveals that consumers prefer the repeat purchase in case of Private Labels as private brands help the consumers to reduce their budget while shopping from the outlet. Thus private labels help the store to have more of loyal consumers.
- The study shows that the price competition in the store increases with the presence and sales of private brands. Since price of private brands is considerably lower than the price of national brands, it forces the national brands to reduce their price or have a lucrative offer to woo the consumers. Thus private labels, because of their aggressive pricing policies, force the competitors to have a price competition in the store.

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