

## A STUDY ON CONSUMER PERCEPTION TOWARDS PRIVATE APPAREL LABELS IN NAVI MUMBAI

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### ABSTRACT

An area that is always expanding and evolving is the private label. Private label manufacturers' increasing competition. Increased customer traffic gives consumers more purchasing options. Retailers understand the importance of developing a fight for survival, "private label" is the only strategy that will hold up. Brands that are owned, merchandised, and sold under private labels are created by another party but marketed and sold by private labels under their own name only through a retail company. The study looks at the influence of age and gender on their decision to purchase private brands. The study is brought to a number of retail establishments in the satellite city of Navi-Mumbai.

**Keywords:** Private labels, consumer perception, brands

### INTRODUCTION

The global retail industry is one that is always evolving and increasing. Customers have more options to choose from thanks to shops' increasing competition to draw in more customers. Retailers have come to the conclusion that the only way to win the battle for existence is by developing a "private label." National brands that are introduced into their stores via traditional or contemporary retail supply chain components limit their ability to expand or stand out. Retailers have the opportunity to launch exclusive products under their own private labels, making them solely available in their stores.

A private label brand is one that is made by another company but is owned, marketed, and sold exclusively by a certain retailer under that retailer's name.

A private label business concept entails buying things, in this case apparel, and branding them with your own brand name. There won't be a requirement to develop the products from scratch, but the garment manufacturer may offer varied degrees of customization. The producer creates the goods using its own materials and labels them with the brand of the purchaser. Because building a brand provides you credibility as a seller and allows your business to grow as your brand is recognised and associated with the style of your clothing, it is an appealing business approach. In such a congested market, being able to differentiate yourself from non-branded items is a huge advantage.

What do your clients believe about your company? What do people think of the goods and services you provide?

You're not the only one who doesn't know the answers to these questions. Because it is subjective and differs from buyer to buyer, customer perception is sometimes challenging to grasp. However, this uncertainty does not excuse you from considering your consumers' feedback. You should pay attention to these emotions since they affect whether or not customers choose to do business with you in the future.

If you provide the wrong impression, you run the danger of losing a sizeable portion of your clientele. Over 50% of customers would move to a rival after only one negative brand encounter, according to the Zendesk Customer Experience Trends Report.

Customer perceptions impact how people see your brand.

Many customers like telling their friends and family about their satisfying experiences. For instance, they may mention a pizzeria that offers delectable pizza to their family. Or, they can suggest that their employees utilise a productivity programme that cut their workday in half.

But not all customer reviews are positive. Their opinion of your brand affects how they refer to you.

Consumers are more inclined to share negative experiences than positive ones (and with three times as many people!), according to Chandler. It's crucial to keep in mind that it's challenging to convince someone to change their mind after they've formed an opinion. In truth, confirmation bias refers to the tendency we all have to seek out information that confirms our preconceptions.

## LITERATURE REVIEW

The choices and actions of consumers in relation to retailers' own labels and manufacturer brands, as well as the contributions of these various strategies, are evaluated by Livesey and Lennon in 1978. The study's findings shed more light on consumers' brand preferences. decision. The association between customers' perceptions of risk Extensive research was done on supermarket product branding Skelly, Murphy, and Dunn (1986). The results show that consumers believe generic drugs pose the largest performance risk. Products with national brands carry the most financial risk.

In the study conducted by Valaskova, K., Kliestikova, J., Krizanova, A. (2018) identified the elements and characteristics that profoundly affect and mould consumers' perceptions of and attitudes about buying private label goods. Three hypotheses were investigated empirically regarding how Slovak consumers perceive private label products: (1) whether the type of product purchased affects the consumer's attitude toward private label products; (2) whether the consumer's attitude is influenced by the reasons for the purchase; and (3) whether consumer attitudes toward private label products are influenced by demographic determinants. When discussing the competitiveness of branding, the research of customer preferences is crucial. The study's most significant contribution is the identification of the types of private label products that consumers buy while taking into account their family status, as well as the finding that consumers' perceptions of private label products are influenced by their age, income, and family status as well as the factors that led to their purchase. The study's findings may be applied to the retail sector when formulating strategies for private label goods, concentrating on the unique demands and wants of various customer groups while acknowledging their demographic disparities.

In their 2012 study, U.Dineshkumar and P. Vikkraman explore how merchants might affect consumers' preferences for private label brands incorporating extra features onto their products. The merchants should use tactics other than just keeping the pricing down and having the things available. Goswami (2012) investigated the correlation between factors such as private store name, quality, the number of categories, etc. pricing differences between national brand private labels, as well as the label name and inventive private labels camp label. The research by Dr. Sudharani Ravindran and M. Ramakrishnan (2012) found that the majority of young people have positive perceptions about exclusive brands of food and clothing. Further, brand image, dependability, and quality were the key characteristics that set apart private label brands from competing branded products.

Past research mostly used survey methods that directly measure consumers' attitudes towards products and their attributes. According to Lang and Crown (1993), the possibility of interaction effects among attributes is usually overlooked. The preferences of female consumers for apparel items may depend on the joint influence of product attributes such as quality, style and price. Thus, the joint effect of several product attributes on the final decision to purchase a specific item of clothing should be taken into consideration when researching consumer purchasing decisions.

Del Vecchio, D (2001) Private label businesses must carefully choose the product categories in which they aim to compete given customer connections with their lower cost/lower quality stance and their generally tiny marketing expenditures. To find out how product category features affect customers' views of private label quality, a regression-based study was conducted. The findings of this study show that views of private label quality are influenced by the category's intricacy, price point, average time between purchases, and quality variance. Because various consumer groups use brand names as heuristics, private label brands are also seen differently.

## RESEARCH METHODOLOGY

### Research Design

The main aim of this survey is to consumer perception towards private apparel labels in Navi Mumbai. Therefore, descriptive research is being adopted to find out the customer satisfaction and characteristics of consumers.

### Area of the Study

The survey is conducted among all class of customers who are the regular purchasers and occasional buyers in the private apparel labels in Navi Mumbai.

### Research Approach

Survey method and questionnaires method

Primary data is collected through survey method. All the respondents are asked to fill in the questionnaire by themselves. The questionnaire contains open ended and closed ended questions and it is in a structured format which is clear and simple to the respondents.

### Sample Size

Sample size taken in this study is 87.

### Sampling Technique

As all the possible items are considered for research, the sampling method adopted is convenience sampling.

### Data Usage:

For analysis and interpretation, only primary data is used. However, for conclusion and recommendations both primary.

### Research Objectives

1. To study the awareness of consumers towards private labels.
2. To identify the factors influencing the consumers preference towards private labels.
3. To study the level of satisfaction of the customers towards private labels.
4. To evaluate the consumers perception towards private labels.
5. To identify the problems faced while using such private labels

### Research Hypothesis

H<sub>0</sub>: Gender has no influence on satisfaction with private labels

H<sub>1</sub>: Gender influence in satisfaction towards private labels

H<sub>0</sub>: Gender has no influence on satisfaction with private labels

H<sub>1</sub>: Gender influence in satisfaction towards private labels

### Need for the study

Given that private labels are outpacing factory brands, it is crucial to understand exactly what consumers like in private labels, particularly in the retail market for garments, which is the most dominant category in India after food.

It is crucial to understand why clients choose private labels to factory brands and whether they are wholly content with the private labels or if there is anything further they might want from them. My thesis would be useful in detecting the customer preferences on private brands in this regard, particularly in the retail of garments.

There hasn't been a lot of research done on identifying consumer preferences in the Indian apparel retail market.

### LIMITATIONS

There are some limitations to this study. Due to the use of a small sample, the first of these restrictions exist. The sample does not allow for consideration of the impact of consumer variables such as income or education, both of which have been shown to affect private-label purchasing, even though it does have

desirable characteristics in terms of their similarity to the larger population of consumers (e.g., a median age of 27 and a median work experience of 4 years).

Past research mostly used survey methods that directly measure consumers''

**Data Analysis**

Descriptive Details

**Table 1: Male/Female Ratio**

| Row Labels         | Count of Name |
|--------------------|---------------|
| Female             | 48            |
| Male               | 38            |
| Other              | 1             |
| <b>Grand Total</b> | <b>87</b>     |

The 48 Female and 38 Male respondents were surveyed for the above study. The respondents answered various questions about private label apparel brands. The responses are analysed for the hypotheses framed to arrive at the conclusion.

H<sub>0</sub>: Age has no influence on satisfaction with private labels

H<sub>1</sub>: Age influence in satisfaction towards private labels

The impact of age on the overall satisfaction toward private labels

| Chi-Square Test                                |              |  |                  |  |                     |  |           |  |                    |  |       |
|--|--------------|--|------------------|--|---------------------|--|-----------|--|--------------------|--|-------|
| Overall Satisfaction level toward store brands |              |  |                  |  |                     |  |           |  |                    |  |       |
| Age  | Dissatisfied |  | Highly Satisfied |  | Highly dissatisfied |  | Satisfied |  | Slightly satisfied |  | Total |
| 25-35  | 0            |  | 4                |  | 0                   |  | 5         |  | 2                  |  | 11    |
| 35-45  | 0            |  | 1                |  | 0                   |  | 3         |  | 0                  |  | 4     |
| Above 45                                       | 0            |  | 1                |  | 2                   |  | 1         |  | 0                  |  | 4     |
| Upto 25 years                                  | 1            |  | 5                |  | 0                   |  | 47        |  | 15                 |  | 68    |
| Total  | 1            |  | 11               |  | 2                   |  | 56        |  | 17                 |  | 87    |

| χ <sup>2</sup> Tests |       |    |        |     |
|----------------------|-------|----|--------|-----|
|                      | Value | df | P      |     |
| χ <sup>2</sup>       | 52.8  | 12 | < .001 | *** |
| N                    | 87    |    |        |     |

The **p-value** is less than **0.05** therefore the H<sub>0</sub> is rejected and H<sub>1</sub> is accepted. Age thus has a strong influence on overall satisfaction levels toward private labels.

H<sub>0</sub>: Gender has no influence on satisfaction with private labels

H<sub>1</sub>: Gender influence in satisfaction towards private labels

| Contingency Tables                             |              |  |                  |  |                     |  |           |  |                    |  |       |
|--|--------------|--|------------------|--|---------------------|--|-----------|--|--------------------|--|-------|
| Overall Satisfaction level toward store brands |              |  |                  |  |                     |  |           |  |                    |  |       |
| Gender   | Dissatisfied |  | Highly Satisfied |  | Highly dissatisfied |  | Satisfied |  | Slightly satisfied |  | Total |
| Female   | 1            |  | 4                |  | 0                   |  | 31        |  | 12                 |  | 48    |
| Male   | 0            |  | 7                |  | 1                   |  | 25        |  | 5                  |  | 38    |
| Other  | 0            |  | 0                |  | 1                   |  | 0         |  | 0                  |  | 1     |
| Total  | 1            |  | 11               |  | 2                   |  | 56        |  | 17                 |  | 87    |

| $\chi^2$ Tests |  |       |    |            |  |
|----------------|--|-------|----|------------|--|
|                |  | Value | df | P          |  |
| $\chi^2$       |  | 47.7  | 8  | < .001 *** |  |
| N              |  | 87    |    |            |  |

The **p-value** is less than **0.05** therefore the H0 is rejected and H1 is accepted. Gender thus has a strong influence on overall satisfaction levels toward private labels

## FINDINGS AND CONCLUSION

This paper offers a thorough evaluation of the key consumer-focused contributions to PL research, particularly those that relate to the decision-making process. This viewpoint has been the one that has generated the most articles on the subject of PL throughout the 20-year period that was examined. These research' contributions have improved our knowledge of the variables that influence consumers' PL purchasing behaviour, particularly those that relate to attitude and purchase intentions. In the past ten years, there has been a tremendous surge in academic study on PL. The majority of current research is based on investigations conducted in a single nation. The USA is where the most publications have been created. Nevertheless, the amount of research using European data

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