

## CONCLUSION

In this study, we examined how customers' in Ahmedabad, Surat, Vadodara & Rajkot cities perceive private label brands in three product categories in comparison to national label brands with respect to 5 attributes. In attempt to explain variations in customer attitude towards private label brands, the variations with respect to city & product category has been taken into consideration.

- 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 (Richardson *et al.*1994).
- But as proven in this study and other global studies, one constant finding of private-label research had been that quality is more important than price to shoppers (Hoch and Banerji 1993; Sethuraman 1992) which we observed in almost all selected cities.
- The findings of the study clearly bring forth the importance of pricing as an attribute in influencing customers' acceptance of private label brands. This is so because today's customers are smart enough to understand that since they are not buying branded products so they need not pay premium. Moreover respondents from lower income group and joint family are found to be more price-conscious.
- Support for this belief was challenged, however, by Ailawadi *et al.*(2001). Burton *et al.* (1998) pointed out that the danger for a retailer using low prices alone (for private labels) with which to compete (i.e. national brands) is that some consumers may use price as a proxy for quality.
- Richardson *et al.*(1994) found that private-label brands were considered by shoppers to be inferior in quality terms to national brands; which can be noticed in almost all selected cities.
- As across all categories, attitude towards perceived risk as well as image was found to me unfavorable for private labels. Narasimhan and Wilcox (1998) argue that consumers will be less motivated to purchase private-label groceries if the level of perceived risk in that category is high.

## **MANAGEMENT IMPLICATIONS**

The findings of the study can be useful to retailers in formulating strategies to make products other than the national branded ones acceptable in the market, which will help retailers in developing stronger store/private label brands and in increasing their presence and acceptance amongst customers.

Retailers offering private label brands can capitalize by understanding what quality, price, packaging, risk and brand image mean to consumers and position private label brands by precise demographic segmentation, product planning and promotion.

## **LIMITATIONS & DIRECTION FOR FUTURE STUDIES**

- Research was conducted by considering five attributes viz. quality, price, risk, packaging and image. Other attributes can also be considered depending its weight age with respect to the different categories of merchandise / products.
- Different product categories / merchandise can also be selected and studied, as this research only includes consumer durables, personal care products and home care products.
- Research was conducted at only four selected cities of Gujarat viz. Ahmedabad, Surat, Vadodara and Rajkot. Other cities of Gujarat as well as other states can also be studied for measuring and observing attitudinal difference amongst different respondents of different regions.
- Research was only focused to organized retailers store brands / private labels. Other local / generic brands from unorganized retailers were not the part of study, which can be studied as at almost all places local brands / generics, also plays a vital role in unorganized market.
- As there is difference in socio-economic and cultural aspects, there is a variation in attitude of people.