

An Overview of Consumers' Preference and Purchase Intention towards Private Label Products

Dr. K.Vidhyakala

Department of Commerce, Avinashilingam Institute for Home Science and Higher Education for Women, Coimbatore

DOI: <https://dx.doi.org/10.47772/IJRISS.2025.909000750>

Received: 25 September 2025; Accepted: 30 September 2025; Published: 29 October 2025

ABSTRACT

The change in market trends, of late, is marked by the growth of the private label for consumable items. Now people prefer private label products even for household use instead of random selection. Keeping in view the changing trend to explore factors influencing the purchase intention of the consumer towards private label products. With the help of available literature, a study is developed to examine consumers' purchase intention toward private label products. To test hypotheses, a questionnaire was distributed in Coimbatore city, which was resulted in 207 useful responses. These responses were tested through the purposive sampling method. Percentage analysis, chi-square, Garrett ranking, and ANOVA are the tools used for this study. The study concluded that awareness of private label products was good. The young adult age group prefers private label products, for varieties reasons such as technology, Health consciousness. Private label is a key factor for effective and attractive marketing management and thereby success, innovation, and profitability of the concern. Price and quality are the most influential factors towards purchasing intentions of private label products.

Keywords: Private label, Purchase intention, Health consciousness.

INTRODUCTION

Private labels today play an important role in many retailers' strategies. They are doing much more than just adding value through convenient pricing for consumers. Many retailers worldwide consider private labels the key factor in their effort to create consumer loyalty and differentiate themselves from the competition. When the retailer decides to sell products or a line of merchandise that is owned, controlled, merchandised, and sold by the retailer in his store/ chain of stores, he is said to be selling label/ brand or private label merchandise.

Own brand knowledge is the power of the retailer. own brands are articulated and developed in a way that they not only fit with the brand promise of the retail store but if effective, it will give consumer drivers a key point of departure to enhance and celebrate the overall retail brand proposition to keep consumers coming back for more.

While many started as cheap alternatives to the national brands, many store brands today have a strong customer base and an identity of their own. The private label marketing association defines store brand products as all merchandise sold under a retail store's private label. That label can be the store's name or a name created exclusively by that store". Store brands or private brands are generally brands owned, controlled, and sold exclusively by retailers use to discriminate between different types of consumers, those who prefer the national brand and those who are happy with quality equivalent store brands offered at a lower price.

In some cases, a store may belong to a wholesale buying group that owns labels, which are available to the members of the group. These wholesaler-owned labels are referred to as controlled labels". Some researchers consider store brands as consumer products produced by, or on behalf of retailers, and sold exclusively by them under their name or trademark within their chain of stores. It is believed that the functions of branding, packing, production, coordination, sourcing and advertising are traditional manufacturer functions that are performed by the retailer for their store brands. Others define own-brands as consumer products produced by or on behalf of distributors and sold under the distributor's name trademark through the distributor's outlets. It is also believed

that the evolution of store brands passes through phases. While store brands offer a choice to the end consumer, they are a tool for increasing business and winning customer loyalty for the retailer.

Retailers have realized that while consumers can buy a national brand anywhere, they can only buy their store brand at their store. A private label is more than a product with the name of the retailer/ store- it needs to be seen by the end consumer as a different product. There must be a clear perception that “it is produced by this store”. Private labels or store brands exist in a wide variety of industries from apparel, to food to health and beauty aids.

Private labels in India

In India, the rise of retailers’ brands has been significant. Most of the large department stores have their private labels, which cater to a specific audience and rely largely on in-store advertising. Private labels are no longer generic product offerings that competed with their national brand counterparts using a private-value proposition. The store brand market in India is currently estimated to be Rs 1,200 – Rs 1,300 crore. While many attributes the development of store brands to the growth of organized retail trade in India, store brands have been present in the country for a much longer time. Two cases in this point are the khadi and village industries commission (KVIC) and the Nilgiri’s supermarket which dates back to 1905. Today, the company says their labels are brands in their own right and giving some of the top brands in the country stiff competition.

Advantages of private labels

Private labels help reduce the domination of manufacturers in the marketplace in terms of margins and also forcing to sell the product. With private labels providing the retailers with higher margins, they can dominate the retail industry to a certain extent. Retailers with private labels create a strong brand identity in the minds of the consumers. This also helps in differentiating it from the national brands, which are its major competitors. National brands provide lesser margin to the retailers, which give the retailers a reason to launch private label.

Purchase Intention

Purchase intention means that buy expectation is the probability of a client purchasing a similar item again dependent on their buy history or it can likewise be the need of an item that is driving the client towards a buy. It is a dependent variable that depends on several external and internal factors. Purchase intention is a proportion of the respondent's attitudes towards buying a product or availing of a service. Customers’ intention in items was accepted to moderate impressively their responses to advertising and publicizing boosts. Following are the four types of customer purchase intention.

Objectives of the Study

1. To know the awareness level of consumers towards various private label products
2. To study the satisfaction level of consumers towards the quality of private label products.
3. To identify the factors influencing the consumers to purchase private label products
4. To assess the purchase intention of consumers towards private label products.

Hypotheses

H₀1: There is no significant relationship between socio-economic profile and Awareness of various private label products.

H₀2: There is no significant relationship between socio-economic profile and satisfaction with private label products.

Statement of the Problem

Retail grocery in Asian countries has been gradually changing from local owner supermarkets and family-owned stores to an international hypermarket format. There are many retailers and hypermarkets in India. These retailers offer their brands which are called private label products. These private label products not gaining much attention

in Coimbatore. The study examines factors influencing consumer purchase intention towards private products. To identify those problems, the study has been conducted to gain broader knowledge and better understand the purchase intention towards private label products.

Significance of the Study

When society is overloaded with the amount of information, the private label helps to create clarity in consumers' minds. Private labels are one such tool to build a competitive advantage through creating a relationship. The retailers gain better bargaining power over their suppliers and better margins while the customers get a wider choice of prices and private label brands. With the benefits of an expanded product line, which allows the retailers to be able to offer a variety of products, with cost-conscious and private label products.

REVIEW OF LITERATURE

Review of literature is essential for every research to carry on the investigation successfully. A thorough review of literature will expose the researcher to previous studies conducted their area of study.

Sawanah Binti Mumin and Phang Ing (2021) analyzed the performance of private label initiative as well as have a better understanding of their target customers to further enhance the sales among Gen Y customers. The relationship between Consumer Buying Behavior and Customer satisfaction, the relationship between Consumer Buying Behavior and Purchase intention, the relationship between Customer satisfaction and Purchase intention and the relationship between Customer satisfaction and Customer retention significantly Raja. M (2021). Savita and Ubba (2021) factors such as store image, product familiarity, perceived quality, perceived risk, price consciousness, consumer attitude, value consciousness, and extrinsic cues influenced the perception of consumers towards purchase intention of private label brands. The culture dimensions, brand image, country of origin, word of mouth had a positive influence on the purchase intention of community products Thichakorn Kasornbua (2019).

Consumer's perceived store images; product quality and consciousness influenced their purchase intention of PLB food. Consumers' value consciousness was an insignificant factor N. Norfarah et.al (2018). Katarina Valaskova (2018) the retail trade when planning strategies for private label products, focusing on the specific requirements and needs of individual consumer groups, accepting their demographic differences. Ajay Singh and Rahul Gupta et.al (2018) the key attributes that are considered by Indian consumer while making purchase decision for private label brand among top retail chains of food & grocery and clothing apparel sector. Joint family respondents have expressed high degree of preference towards the store brand (private label), reputed regional brands in South India (K. Sivakumar, 2018). The perceived price and quality are two main factors that factors that affect the purchase intention of consumers for private brands (Muhammad Bilal , 2013).

Research Gap

Private label products play important role in retailers' strategies. The majority of studies have been undertaken towards a survey of relevant literature. In the case of Coimbatore, very minimal studies have been conducted related to private label products. There are more investigations that have been made in various spaces of the private brand along with attitude, awareness, and buying behavior towards private brands. This study tries to proceed in the direction of identifying and exploring purchase intention towards private label products has been made by including all these concepts in the area of Coimbatore.

RESEARCH METHODOLOGY

Research is a scientific search for relevant information on a specific topic. It is a careful investigation or inquiry especially for exploring ideas and searching for new facts about any kind of knowledge. It includes research designs, period of study, methods used for collecting data, and tools for its analysis. This study is based on a primary and secondary sources. The research design adopted in this study is descriptive in nature. It describes a situation and involves a fact-finding investigation with adequate interpretation. It is a conceptual structure within which research should be conducted. Thus, the preparation of such a design facilities research to be as efficient as possible and will yield maximum information. In order to make this study more effective, a sample size of

207 respondents was selected in such a way that it is representative of the population. The sample respondents were selected by using a convenient sampling method from the total population of Coimbatore city.

Non-probability sampling is a sampling procedure that does not afford any basis for estimating the probability that each item in the population has of being included in the sample. Non-probability sampling is also known by different names such as deliberate sampling, purposive sampling, and judgment sampling. In this type of sampling, items for the sample are selected deliberately by the researcher, his choice concerning the items remains supreme. In other words, under Non-probability sampling, the organizers of the inquiry purposively choose the particular units of the universe for constituting a sample on the basis that the small mass that they so select out of a huge one will be typical or representative of the whole. For instance, if the economic conditions of people living in a state are to be studied, a few towns and villages may be purposively selected for intensive study on the principle that they can be representative of the entire state. Thus, the judgment of the organizers of the study plays an important part in this sampling design. Purposive sampling is also known as judgment, selective, or subjective sampling. It is a sampling approach in which the researcher chooses individuals of the population to participate in the study based on his or her own judgment.

In this study, the sample size is restricted to 210 customers with purchase intention toward private label products in Coimbatore city. There are two types of data collection were used Primary Data and Secondary Data. The collected data were analyzed and presented in the form of table to suit the study and also to interpret the result. The following tools were used to analyze the data, such as Percentage Analysis, Chi-Square, Garrett Ranking and ANOVA

Analysis And Interpretation

Socio-economic profile of respondents

The demographic variables namely age, sex, marital status, education, occupation and income level are the most widely employed in market segmentation. The Socio-economic profile of the respondents is presented in Table 1 and Figure 1.

Table 1 Profile of the Respondent

Variables	No of respondent (207)	Percentage (%)
Gender		
Male	82	60
female	125	40
Age		
below 21 years old	14	7
21 - 40 years old	169	82
41 - 60 years old	24	11
Monthly income		
Below 10,000	43	20
10,000 – 30,000	134	65
30,000 – 50,000	21	10
Above 50,000	9	5
Marital status		
Married	78	38
Unmarried	129	62

Education		
Up to school	16	8
UG	142	69
PG	46	22
Others	3	1
Occupation		
Employee	104	50
Business	56	28
Professionals	3	1
Others	44	21
Nature of Family		
Individual	188	91
Joint Family	19	9

Source: Primary data

The gender-wise classification showed that of the total respondents, females constitute (60) percent and the remaining (40) percent were male. Of the total respondents, the majority of respondents (82) percent belong to the age group of 21 to 40 years old, (11) percent of the respondents belong to 41 to 60 years old and the rest of (7) percent of the respondents were below 21 years old. Income-wise wise classification showed that the majority of respondents (65) percent were had monthly income between 10,000 to 30,000, (20) percent of the respondents had income below 10,000, (10) percent of the respondents had income between 30,000 to 50,000, and the remaining 5 percent of the respondents having income above 50,000.

The Majority of the sample respondents were unmarried (62) percent and the rest were married 38) percent. The classification based on the educational attainment of the respondents shows the majority of respondents (69) percent were UG, (22) percent studied PG, (8) percent studied up to school, (1) percent with others. The occupation-wise classification of the respondents shows that the majority of respondents (50) percent were employees, (28) percent of respondents were business, (1) percent were professionals and (21) percent were others.

The Majority of the respondents were individuals (91) percent and the rest were joint family (9) percent. It is inferred from the above discussion that the purchase intention towards private products product is young adult's age group 21 to 40 years old, graduates, predominantly female and unmarried respondents, and employees. The respondents having annual income between 10,000 to 30,000 were a majority of customers purchase private label products.

Awareness of private label products

Variables	No of respondents (207)	Percent (%)
Yes	203	99
No	4	1

Table 2 Awareness of private label products

Source:Primary data

The Majority of the respondents knew the private label products (99) percent and the rest were don't aware of

private label products (1) percent.

Various Departmental stores to purchase the private label products

Table 3 Various Departmental stores to purchase the private label products

Variables	No of respondents (207)	Percent (%)
Kannan	55	26.6
Reliance	62	30
Amutha stores	44	21.3
Palamudhir	46	22.3

Source: Primary data

The classification is based on visiting the departmental store to purchase private label products (30) were purchased from Reliance (27) from Kannan (22) from Palamudhir and (21) purchase private label products from Amutha stores.

Consumers' Intention to purchase private label products

Table 4 Consumers' Intention to purchase private label products

Variables	No of respondents (207)	Percent (%)
Very interested	44	21
interested	162	78
very uninterested	1	1

Source: Primary data

In the above table, the majority of respondents (78) percent people are interested to purchase private label products. (21) percent are very interested and (1) percent are not interested.

The reason for the above discussion is that the consumer is interested to purchase private label products because there was better brand loyalty.

Visit outlets or stores to purchase the private label products

Table 5 Visit outlets or stores to purchase the private label products

Variables	No of respondents (207)	Percent (%)
Once in a month	58	28
once in 3 months	131	63
once in 6 months	15	7
no regular intervals	3	2

Source: Primary data

The classification is based on visiting the outlets or stores to purchase the private label products (63) percent were once in 3 months, (28) percent were once in a month, (7) percent were once in 6 months and (2) percent

were no regular intervals.

The conclusion for the above table 63 percent visited the outlets or stores to purchase private label products.

Source of awareness about private label product

Table 6 Source of awareness about private label product

Variables	No of respondents (207)	Percent (%)
Friends and relatives	48	23
Advertisement	121	58
Social media	37	18
word of mouth	1	1

Source: Primary data

From the total respondents, the majority of respondents were (58) from Advertisements, (23) from Friends and relatives, (18) from Social media, and (1) from word of mouth.

Satisfaction level of the respondents towards store brands

Table 7 Overall satisfaction level of the respondents towards store brands

Variables	No of respondents (207)	Percent (%)
Excellent	19	9.3
Good	165	79.7
Fair	22	10
Poor	1	1

Source: Primary data

From the above table represents that based on the overall satisfaction level of the respondents towards store brands (80) percent were good, (10) percent were Fair, (9) percent were Excellent and (1) percent were Poor.

Relationship between Awareness of the respondents and socio-economic profile of the respondents

Testing of hypothesis

H₀₁: There is no significant relationship between socio-economic profile and Awareness of various private label products.

Table 8 Relationship between awareness and socio-economic profile

Factor	Classification	Degree of Freedom	Calculated Value	Significance (p-value)
Gender	male	1	1.548 ^a	(.213) insignificant
	Female			
Age	below 21 years old	2	1.271 ^a	(.530)
	21 - 40 years old			

	41 - 60 years old			insignificant
Monthly income	below 10,000	3	3.524 ^a	(.318) insignificant
	10,000-30,000			
	30,000-50,000			
	above 50,000			
Marital status	Married	1	1.187 ^a	(.276) insignificant
	Unmarried			
Education	up to school	3	16.171 ^a	(.001) significant
	ug			
	pg			
	others			
Occupation	Employee	3	15.313 ^a	(0.02) significant
	Business			
	Professionals			
	others			
Nature of family	Individual	1	5.207 ^a	(.022) significant
	Joint family			

The test of hypothesis revealed that the awareness of the respondents using private label products was found significant with Socio-Economic variable 'Education, Occupation, Nature of family of the respondents' (.05) at five percent level of significance.

The other variables such as Gender (.213), Age (.530), Monthly income (.318), and marital status (.276) have resulted insignificant and hence there is no significant association existing between the awareness of the respondents using the private label products with the above-mentioned variables.

From the above analysis Education (.001), Occupation (0.02), Nature of family (.022) at the 5 percentage significance level of the respondents has significance with the awareness of the respondents using the private label products.

Relationship between Satisfaction of the respondents and Socio-economic profile of the respondents

Testing of hypothesis

H₀₂ : There is no significant relationship between Socio-economic profile and satisfaction of private label products.

Table 9 Relationship between Satisfaction and socio-economic profile

Factor	Classification	Degree of Freedom	Calculated Value	Significance (p-value)
Gender	male	1	8.683 ^a	(.004) significant
	Female			
Age	below 21 years old	2	7.727 ^a	(.021)
	21 - 40 years old			

	41 - 60 years old			insignificant
Monthly income	below 10,000	3	6.757 ^a	(.080) insignificant
	10,000-30,000			
	30,000-50,000			
	above 50,000			
Marital status	Married	1	7.547 ^a	(.006) significant
	Unmarried			
Education	up to school	3	1.901 ^a	(.593) insignificant
	ug			
	pg			
	others			
Occupation	Employee	3	5.324 ^a	(.150) insignificant
	Business			
	Professionals			
	others			
Nature of family	Individual	1	5.829 ^a	(.016) insignificant
	Joint family			

The test of hypothesis revealed that the satisfaction of the respondents using private label products was found significant with the Socio-Economic variable 'Gender, Marital status of the respondents' (.05) at a five percent level of significance.

The other variables such as Age (.021), Monthly income (.080), Education (.593), Occupation (.150), and Nature of family (0.16) have resulted insignificant and hence there is no significant association existing between the satisfactions of the respondents using the private label products with the above-mentioned variables.

From the above analysis Gender (.004), Marital status (0.006) at the 5 percent significance level of the respondents has significance with the satisfaction of the respondents using the private label products.

The factors influencing the consumers to purchase private label products

Table 10 Opinion regarding private label products

Statements	Excellent	Very good	Good	Poor	Very poor	Mean	Rank
Price	150	52	5	0	0	4.7	I
Label	86	112	7	1	1	4.44	II
Perceived quality	79	104	22	2	0	4.25	V
Perceived technology	75	120	10	0	2	4.28	IV
Packaging	81	115	7	1	3	4.30	III
Health consciousness	66	127	11	1	2	4.22	VI

Source: Primary data

The Opinion regarding private label products is described as follows. Most of the respondents give priority to the price when selecting the private label products and it gets a maximum score (4.7). Next, the respondents give importance to the information on the private label (4.44). Next, the respondents gave the highest score to Package (4.30). Most of the respondents (4.28) are Perceived technology. Following that consumers prefer Perceived quality (4.25). The consumer did not consider the Perceived technology (4.28) as an important factor in purchasing private label products.

The table shows most of the respondents give priority to price because it is considered the main reason for consumers' inclination towards private label products and also price-sensitive buyers are likely to buy private label products.

Significant relationship between intention of the respondents and Socio-economic profile of the respondents

Table 11 Significant relationship between intention of the respondents and Socio-economic profile of the respondents

Factor	Classification	N	Mean	Std. Deviation	Frequencies	Significance (p-value)
Age	Below 21 years old	14	11.714	2.493	.866	(.422) insignificant
	21 - 40 years old	169	11.526	2.454		
	41 - 60 years old	24	10.875	1.727		
Monthly income	below 10,000	43	11.744	2.62853	1.706	(.167) insignificant
	10,000-30,000	134	11.537	2.42684		
	30,000-50,000	21	10.381	1.24403		
	above 50,000	9	11.55	2.18581		
Education	up to school	16	10.8750	1.78419	4.634	(.004) significant
	ug	142	11.1901	2.10684		
	pg	46	12.3261	3.04816		
	others	3	14.3333	1.52753		
Occupation	Employee	104	11.2692	2.26939	2.163	(.094) insignificant
	Business	56	11.1964	2.06635		
	Professionals	3	13.0000	3.60555		
	others	44	12.1591	2.82796		

People with purchase intention towards private label products may likely vary with their socio-economic profile, thus the significant mean difference between purchase intention and Socio economic profile is analyzed. Table 11 shows the following results of the hypothesis that indicate the analysis of variables.

The other variables such as Age (.0422), Monthly income (.167), and Occupation (.094) have resulted insignificant and hence there is no significant association existing between the purchase intention of the respondents using the private label products with the above-mentioned variables.

From the above Education (.004) at the 5 percent significance level of the respondents has significance with the purchase intention of the respondents using the private label products.

Implication of the study

1. Because the study discovered that there is a large market for private label brands in India, retailing companies may establish a strong private brand strategy for long-term store expansion.
2. According to the results, private labels have been able to establish a large influence in the minds of buyers and are gaining acceptance. Specific private label industries, such as food and grocery, are increasing at a rate higher.
3. The advertisement of the private label products and their actual performance should not deviate in their expression on the mind of the people.
4. Retailers can increase sales promotion activities by making the packaging more attractive, placing private labels in more visible areas of the store, and making the package more appealing. The taste could be improved more, and special attention should be paid to the expiry date of the goods.

CONCLUSION

This study explored the Factors Influencing the Purchase Intention of the Consumer towards Private Label Products. The present confines that awareness towards private label products was good. The young adult age group prefers private label products, for varieties reasons such as technology, Health consciousness. Private label is a key factor for effective and attractive marketing management and thereby success, innovation, and profitability of the concern. Price and quality are the most influential factors towards purchasing intentions of private label products. It is suggested that retailers in Coimbatore should improve the position of private label brands to value for money by considering price and quality as vital factors.

REFERENCES

1. Sawanah Binti Mumin and Phang Ing (2021) Store-Related Factors Contributing to Offline Private Label Brands Purchase Intention among Gen Y Customers.
2. Raja. M (2021) Consumer Perception towards Private Labels - with Special Reference to Food Products in Chennai District.
3. Savita and Ubba (2021) Identifying the Factors Affecting Purchase of Private Label Brands.
4. Nina Maharani and Arief Helmi (2020) Factors Influencing Purchase Intension on Private Label Products.
5. Thichakorn Kasornbua and Chanon Pinsame (2019) Factors Affecting Purchase Intention of Community Product in Thailand Cambodia Border.
6. Dr. Frank Devitt (2019) Factors Influencing Consumer Perception and Purchase Intention of Private Label Brands in the Irish Food Retail Market – A Study.
7. N. Norfarah and P.M. Koo et.al (2018) Private Label Brand Purchase Intension: A Malaysian Study.
8. Feryal Khan and Ansa Mehmood (2018) Purchase Intention Drives for Private Label Brands in Pakistan.
9. Katarina Valaskova and Jana Klietkova (2018) Consumer Perceptions of Private Label Products: an Empirical Study.
10. Ajay Singh and Rahul Gupta et.al (2018) Consumer Purchase Decision towards Private Label Brands: Evidence from the Indian Market.

Books

1. Swapna Pradhan, "Retailing management" 4th edition.
2. Dr. Jain R.K., "Retailing management" 1st edition author:.
3. Dr. Ram Kishen.Y, "International retail marketing strategies"