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**A STUDY ON PERCEPTION OF WOMEN CONSUMERS TOWARDS
PRIVATE LABEL APPARELS; BOTH IN ONLINE AND OFFLINE STORES
IN VIJAYAWADA**

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ABSTRACT

The Indian apparel industry is growing rapidly, with an increasing focus on private labels (PLBs). Recently, in a contrast to earlier periods, consumers have started considering purchase of PLB products as smart shopping decision. As per industry reports, the margins for private labels in case of apparel sales is the highest at 40%-60%, followed by the food & beverage segment growing at compounded annual growth rate of 30 per cent for the next five years owing to improved quality of products at low price point & range between 10%-15% in case of FMCG products. In this research study the perception of consumers towards private labelled apparel. To understand the driving sources of increasing consumption of private label apparels and also to know consumer preference in buying these private label apparels through various sources like offline and online stores.

Keywords: private label brands, apparel industry, consumer perception.

INTRODUCTION

Indian textiles and apparels industry have a great history of fine craftsmanship and global appeal market. Cotton, silk and denim from India are highly popular in abroad, and with the boost in Indian design talent, Indian apparel too has found success in the world of fashion. India is the world's 2nd largest producer of textiles and apparels, with a massive raw material and manufacturing base particularly for some materials like cotton and silk etc.. The industry is a major contributor to the India's economy, both in terms of its domestic share and exports. It contributes about 14 per cent to industrial production, 4 per cent to the GDP and around 15 per cent to the country's total export earnings as per the financial results. This sector is the second largest employment provider in the country, about 51 million people are employed in this sector directly and 68 million people indirectly in FY 2015-16.

Indian apparel industry: India is the 21st largest market for U.S. exports of textiles and apparel industry, even though India continues to be one of the major challenging markets for U.S. exporters of textiles and apparel. In 2015, U.S. textile and apparel exports to India totalled \$179 million dollars, a 52.7 per cent increase over the \$117 million exported in 2008. In 2014, India was the second largest textile exporter, with exports estimated at \$40 billion, and is expected to reach \$300 billion of exports in future by the year 2024 or 2025. India's textile and apparel sector is one of the major contributors to Indian economy in terms of direct and indirect employment numbers. The textile and apparel sector is the backbone of the Indian economy and growth of GDP, directly employing about 45 million people and indirectly employing about 60 million people. India has domestic industry accounts for 24 per cent of the world's total spindle capacity and 8 per cent of the global rotor capacity. The potential size of India's textile industry and apparel industry is expected to reach approximately \$223 billion by 2021. The strength of the Indian textile industry is from its export earnings. The competitive advantage of India had in terms of its low labour costs, which has been eroding slowly due to competition from countries like Bangladesh and Vietnam that offer a skilled workforce and cheaper labour to manufacturers. The Indian retail market is expected to demonstrate a favourable growth rate of 6% to reach USD 865 billion, by 2023, from the current USD 490 billion. The share of apparel market in total India's retail market is 8%, corresponding to a value of USD 40 billion in overall sales revenue. In addition to that there is a growing demand for fashion accessories along with apparel which makes the Indian fashion markets both interesting and lucrative.

Private label brands: Private Label Brands are defined as the "products owned and branded by the organizations whose primary objective is distribution rather than production" (Schutte, 1969). PLBs, also called own labels or store brands can also be defined as "any of products over which a retailer has exercised total sourcing and market control" (Mintel, 2005a, b). The Private Label Manufacturers' Association (PLMA) defines PLBs as: "PLBs are Private label products that encompass all merchandise sold under a particular retailer's brand all over the stores. That PLB can be the retailer's own name or a name created exclusively by that retailer and sold only in their outlets. In some cases, a retailer may belong to a wholesale group that owns the brands that are available only to the members of that particular group and in that group outlets. Brand names cut down the selection process and provide consumers with a high degree of comfort when faced with many similar products. This industry is flourishing because consumers want the assurance of quality with limited effort; the strongest national/global brands carefully build their brand equity over decades via consistent quality and communication. Brand equity; however, differ from country to country with inter-country gaps resulting from such things as: how long the brand has been around, the competitive climate of the product category, the marketing support behind the product, how receptive the culture is to brands, risk aversion of the society, and the visibility or usage of the product (Moore 1993). Notwithstanding, this brand equity develops because national brands offer consumers a high level of comfort, security and value that PL frequently fail to provide that (Quelch and Harding 1996).

Indian players of private label apparel: The trends of private labelling is briskly growing up among the Indian retailers such as Shoppers Stop, Future Group, Tata's Croma and Aditya Birla Retail's More as consumers seek quality products at affordable prices. They have created new labels for products and also have customized and localized those products to suit Indian tastes.

REVIEW OF LITERATURE

According to the literature the transition from marketing private label packaged goods to private label fashion goods was far from a smooth process. **Salmon and Cmar (1987)** identified five factors that hindered the penetration of private labels into the fashion sector: **Changing consumer shopping habit:** In the past, consumers tended to purchase fashion items in shops with a broad

variety of products and models, such as department stores. These stores were characterized by general image rather than fashion store image. Today's consumers focus more on a specific fashion line. Fashion chain stores (national brands stores), have been able to integrate their own range of fashion apparels and accessories to respond far more accurately to the styles that provides consumers seek and make it economically viable to produce a private label of their own.

Changing relationships between retailers and manufacturers: The dependence of the wide range of fashion brand manufacturers on retailers has increased as a result of the latter's growing power. More designers are now willing to produce private labels for fashion chain stores, which in turn has upgraded the status of their brands in the fashion sector.

Shifting consumer merchandise tastes: Starting in the late 1970s, consumer fashion tastes started to change. Consumers began demanding fashion styles, reflecting the quality and style of private fashion brands found in specialty and designer fashion houses.

Incorrect implementation of the private label strategy by retailers: In many chain stores, the process of private label penetration was slow, sometimes because the private labels lacked uniqueness in designs. Specialty chains, in particular the fashion chain stores that could offer private labels that more directly targeted customer needs and desires they were focused on producing such products so they were the most successful private label entrepreneurs. There is a great impact of social factors in the consumer buying behaviour. Buyers are influenced by the some reference groups, family members, etc. Consumer's buying behaviour also depends on the personal factors like age, gender, education, lifestyle, personality and income etc. Sex or gender has been considered as an important cultural component in every society. In every society, we find some products that are both exclusively and strongly associated with gender. Age has been found as factors to affect the consumption pattern of products and service because of difference in demand. (Hawkins et al. 2001).

In these studies, women were observed to be more apt to view dysfunctional purchasing behaviours as normal. In contrast, **Block and Morwitz (1999)** argued that female consumers will exhibit lower levels of the compulsive buying tendencies. India's male consumers' apparel selection is significantly influenced only by brand-related criteria; Indian female consumers demonstrate an equal degree of disinterest in brands (**Mohan and Gupta, 2007**). As previously mentioned, women in India continue to prefer traditional kind of attire for most usage contexts including work and social/familial contexts.

So finally in article of **female buying behaviour for apparel segments in Coimbatore by Nirbhan Singh & r. Sarvanan 2013**, they finally conclude that various factors influence their buying like festivals, offers, geographic factors. Most of the female focus on product attributes, fashion trends and other factors related to social or psychological needs of the customer. These characteristics help them to choose their cloths according to their preference and it also suits with tradition and culture.

According to literature of article "**Determinants of Consumer Buying Behaviour**" **C.V.Krishna 2011** it was found that four factors mainly influencing are namely brand image, sales promotion offers, design and store atmospheric were the primary factors affecting consumer preferences in purchase of private level brands. Demographic factors which influences are occupation of the consumer and social class of the consumer has no effect on the consumer behaviour in choosing private levels brands.

According to article namely **Private Label Perceptions and its Impact on Store Loyalty:byDr.Shahir Bhatt and Ms.Amola Bhatt 2014**. The factors for moderating private label brands perceptions with customers include different factors like value, proximity, and brand loyalty, familiarity, shopping exploration, sale proneness, store image and variety seeking behaviour. Additionally it was found that value; proximity, brand loyalty, familiarity, shopping exploration and store image have

relationship with the store loyalty. It was also found that innovativeness and promotional offers have association with store loyalty of customers.

According to article **customer perception of youth towards branded fashion apparels in Jalandhar** by Syed Tabrez Hassan, Bilal H Hurrah, Amit Lanja 2014, they concluded that People wear branded clothes to look attractive and to impress people around them. Price of the branded clothes is not a big issue for people but people prefer branded clothes over non-branded regardless of high price. People buy branded clothes because they provide more value for money and because of their good quality and brand image. Wearing the same type of clothes makes people bored. They like to wear new and fashionable clothes. People wear branded clothes because of comfort and recognition of that they give and designer associated with them. Promotion of these brands by a well-known personality hardly affects the decision of purchase. People are less loyal towards the branded clothes because People get influenced by price offers, design and style of the products to change the brand. Fashion, family and friends influence this choice of brand.

RESEARCH PROBLEM

As shown in the above review of literature of previous studies, there are many determining factors towards purchasing these private labels apparels, but there is no specific study to identify determinants for consumer perception towards private label apparel purchase and also consumer perception towards private label apparels available in online store. So in regard to the gaps existing in the previous research, the current study aims to understanding the decision making factors for the purchase of private label apparel brands and also preference of buying there private label brands over online stores or offline stores.

RESEARCH QUESTIONS

1. What is the customer opinion towards private label brands?
2. What are the factors influencing customers while purchasing private label apparels and branded apparels?
3. Where do customers prefer to buy private labels either online or offline stores?

SIGNIFICANCE OF STUDY:

The significance of the study is to understand perception of women customers towards branded apparels and private label apparels, the pre purchase behaviour of women while purchasing apparels. To understand the comparison of private label apparels available in online stores and offline stores of Vijayawada. Evaluation of private label apparels in online store by comparing various factors like quality, durability, etc.

OBJECTIVES OF THE STUDY

The main objectives of this study are

1. To know the women consumer perception in fashion apparels particularly towards private labelled brands.
2. To know the women consumer perception towards buying private label apparel through online stores and offline stores.
3. To compare the pre-purchase behaviour of women consumers with private label brands online buying verses offline buying in stores of Vijayawada.

HYPOTHESES OF THE STUDY

Hypothesis - 1: H0: No Shoppers having positive perception towards private labelled apparels.

Hypothesis - 2: H0: There is no significant difference between product quality, availability of trends and price discounts in online to offline purchases of private labelled apparels.

Hypothesis - 3: H0: Buyers prefer to buy private label apparels in offline stores of Vijayawada.

RESEARCH METHODOLOGY

This study is to understand the perception of consumers regarding private label apparels, and consumer's perception in differentiation of private label and branded apparels. The competition of online stores and offline stores located in Vijayawada particularly with reference to private label apparels. Population for this study can be identified as the women consumer's located in the city of Vijayawada. A sample design is the framework or road map for a research that serves as the basis of sample selection. The sample for the study was respondents are women consumer's located in Vijayawada city. All the women consumers of between 18 - 35 years age group are taken as the sample frame for this study. Sample unit identified for this study is are women of different occupations and age groups between 18-35 years. In this study *quota sampling* technique on the basis of geographical location was adopted for data collection. To ensure randomness in the sample 100 unit respondents were chosen as mentioned above. As a result, of data collection out of 115 questionnaires circulated, only 104 fully filled in questionnaires were received. The data collection process focused on women consumer between age group of 18-35 years with a structured and self-administered questionnaire. Below sections provide the process of scale adoption. The researcher adopted Likert Scale [5] for data collection. Since all the questions were designed in such a way that the responses are according to the perception of the respondent and hence the researcher chose this scale.

DATA ANALYSIS:

Chi- square test for hypothesis 1: Chi- square test between two variables they are awareness towards PLA and price sensitivity of PLA.

Table 1:Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	31.431 ^a	16	.012
Likelihood Ratio	34.736	16	.004
Linear-by-Linear Association	7.211	1	.007
N of Valid Cases	104		

a. 18 cells (72.0%) have expected count less than 5. The minimum expected count is .05.

The above table describes the chi square test; the significance value is less than 0.05 so alternative hypotheses are accepted i.e. there is effect of price sensitivity of PLA on awareness of PLA. Chi-square test between two variables they are awareness towards PLA and quality and durability of PLA.

Table 2:Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	29.780 ^a	16	.019
Likelihood Ratio	31.158	16	.013
Linear-by-Linear Association	5.440	1	.020
N of Valid Cases	104		

a. 16 cells (64.0%) have expected count less than 5. The minimum expected count is .02.

The above table describes the chi square test; the significance value is less than 0.05 so alternative hypotheses are accepted i.e. there is effect of quality and durability of PLA awareness of PLA.

Chi- square test between two variables they are awareness towards PLA and quality and availability of numerous designs and sizes in private label branded apparels.

Table 3:Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	16.570 ^a	16	.414
Likelihood Ratio	16.522	16	.417
Linear-by-Linear Association	1.819	1	.177
N of Valid Cases	104		

a. 15 cells (60.0%) have expected count less than 5. The minimum expected count is .04.

The above table describes the chi square test; the significance value is less than 0.05 so alternative hypotheses are accepted i.e. there is no effect of availability of numerous designs and sizes in PLA on awareness of PLA.

Chi- square test between two variables they are awareness towards PLA and quality and self-image while wearing private label brand apparels.

Table 4:Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	24.538 ^a	16	.078
Likelihood Ratio	24.692	16	.075
Linear-by-Linear Association	3.409	1	.065
N of Valid Cases	104		

a. 16 cells (64.0%) have expected count less than 5. The minimum expected count is .07.

The above table describes the chi square test; the significance value is more than 0.05 so null hypothesis is accepted i.e. there is no effect of self-image while wearing PLA on awareness of PLA.

Chi- square test for hypothesis 2: Chi- square test between two variables they are buying preference of PLA in online and quality of private label apparel in online stores.

Table 5:Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	24.552 ^a	16	.078
Likelihood Ratio	25.757	16	.058
Linear-by-Linear Association	.388	1	.534
N of Valid Cases	104		

a. 16 cells (64.0%) have expected count less than 5. The minimum expected count is .19.

The above table describes the chi square test; the significance value is more than 0.05 so null hypothesis is accepted i.e. there is no effect of quality of PLA in online stores on buying preference of PLA in online.

Chi- square test between two variables they are buying preference of PAL in online and availability of new trends in online stores.

Table 6: Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	20.671 ^a	16	.192
Likelihood Ratio	25.537	16	.061
Linear-by-Linear Association	.049	1	.824
N of Valid Cases	104		

a. 15 cells (60.0%) have expected count less than 5. The minimum expected count is .12.

The above table describes the chi square test; the significance value is more than 0.05 so null hypothesis is accepted i.e. there is no effect of availability of new trends in online stores on buying preference of PLA in online.

Chi- square test between two variables they are buying preference of PAL in online and PLA purchases during offers in online stores.

Table 7:Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	39.907 ^a	16	.001
Likelihood Ratio	38.536	16	.001
Linear-by-Linear Association	4.941	1	.026
N of Valid Cases	104		

a. 15 cells (60.0%) have expected count less than 5. The minimum expected count is .12.

The above table describes the chi square test; the significance value is less than 0.05 so alternative hypothesis is accepted i.e. there is effect of PLA purchases during offers in online stores on buying preference of PLA in online stores.

Chi- square test for hypothesis 3: Chi- square test between two variables they are buyer preference between online and offline stores.

Table 8: Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	16.308 ^a	16	.432
Likelihood Ratio	18.104	16	.318
Linear-by-Linear Association	.002	1	.965
N of Valid Cases	104		

a. 16 cells (64.0%) have expected count less than 5. The minimum expected count is .54.

The above table describes the chi square test; the significance value is more than 0.05 so null hypothesis is accepted i.e. buyers are preferring to buy in offline store.

FINDINGS

1. Consumers are feeling that private label apparels are cheaper than branded apparels; the price sensitive consumers prefer to purchase private label apparels as they are of low prices.
2. Consumers thinking that private label apparels are also having good quality and durability while using when compared with branded apparels and quality and durability is also an important element in purchasing apparels.
3. Most the consumers prefer to buy branded rather than private labels due to the availability of designs and sizes that are offered buy branded.
4. In consumer perception wearing branded clothes will create an image in society and their peers that may not obtained by wearing private label apparels.
5. Consumers are finding similar kind of product quality of apparels in purchasing them in online and offline.
6. Both online and offline stores are satisfying their customers with wide range of products according to latest trends.
7. Consumers are willing to buy private label apparels during offers in online store due to discounted rates, it may be planned or impulse buying.
8. Most of the respondents in this study are willing to buy private label apparels in offline stores of Vijayawada.

9. 33.7% people in survey are preferred to purchase apparel occasionally, 29.8% are when they needed and 26.9% are regular apparel purchasers and remaining 6.7% and 2.9% respondents purchase during discounts and rarely respectively.
10. The respondent's decision while purchasing clothes 35.6% are depending on self-decision, 32.7% are depending on parents suggestions, 18.3% depends on siblings/ cousins suggestions, and 13.5% are depending on friend's suggestions.
11. The respondent's preference, 51.9% prefer to wear ready- made clothes, 24.0% prefer to wear tailor made clothes, and 21.2% prefer to wear designer wear clothes and remaining are others.
12. The respondent's opinion on feeling difference between branded and private labelled apparels 43.3% respondents strongly agreed, 26.0% respondents neutrally responded, 20.2% respondents agreed, 9.6% respondents disagreed, 1% respondents strongly disagreed.
13. The respondents opinions towards expensiveness of private label is less when compared to branded clothes is 43.3% respondents strongly agreed that branded are expensive than private label, 27.9 respondents agreed, 17.3% neutrally responded, 6.7% respondents disagreed, 4.8% respondents strongly disagreed.
14. The respondent's opinion on quality and durability of private label clothes 35.6% respondents agreed, 28.8% neutrally responded, 21.2% respondents strongly agreed, 12.5% respondents disagreed, and 1.9% respondents strongly disagreed.
15. The respondent's willingness to search new trends in online 28.8% respondents agreed, 22.1% neutrally responded, 19.2% respondents disagreed, 16.3% respondents strongly agreed, 13.5% strongly disagreed.
16. The respondent's preference of shopping in online or offline stores 32.7% respondents agreed, 31.7% neutrally responded, 20.2% respondents strongly agreed, 11.5% respondents disagreed, and 3.8% strongly disagreed.
17. The respondent's opinion towards costumer service of online purchased private labelled apparels 42.3% responded neutrally, 24% respondents agreed, 21.2% respondents disagreed, 9.6% respondents strongly agreed, 2.9% respondents strongly disagreed.
18. The respondent's preference of buying private labelled apparels during offers in online store 29.8% respondents agreed, 27.9% responded neutrally, 22.1% respondents strongly agreed, 2.9% respondents strongly disagreed.

SUGGESTIONS

1. The private label brands should concentrate on its designs and in maintaining them in various sizes so that all variety of consumers can get their desired piece in desired size.
2. Online stores should know about the market and fashion trends about female segment which are popular in category and should maintain them to compete with offline stores.
3. Entrepreneur can focus on private label apparels for customized customer at higher prices. In other segments the company offers other ranges with less design content and low quality fabrics to a lower price.
4. Private fashion chain stores should continue energetically fighting the national fashion chain stores. Their marketing strategy should be designed not only according to personality components (of their customers) and should not only boost their brands, but should also draw on the dimensions perceived as vital by consumers when choosing a fashion product – design, sales promotion, and quality.
5. Online store should also concentrate on private label apparels; they should communicate with suppliers and concentrate on providing trendy and quality apparels so that consumers may prefer to purchase private label apparels from online stores.

SCOPE FOR FUTURE STUDY

The present study was done in Vijayawada city, but it is worth extending this work into a multinational study, incorporating perception of men and also perception towards accessories for example the further research can be done to identify the perception of consumers towards private label apparels, also consumer satisfaction and retention for both online and offline stores. To summarise, the further investigation to compare consumer satisfaction and retention regarding store brands vs. national brands in the fashion industry both in online and offline stores.

CONCLUSION

This study was conducted to identify the preferences of woman consumer towards private label apparels and also perception regarding online and offline stores of Vijayawada. This study was conducted in Vijayawada and it determines the perception of women consumers. The women consumers are well known about private label apparels. Clothing is an important part of women's life and plays a major role in building the female identity and status. Cloths help the women to enhance their confidence and strengthen their self-esteem. Clothing is referred to as speciality good since consumers often make an effort for seeking out the garment that they require. They are willing to buy private label apparels because of their quality and durability at same time they are of low prices. They are pretty much willing to buy private label apparels from offline stores rather than online store due to various reasons but most of them are willing to buy private label apparels during offers because of discounted price.

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