Private Brands and Store Loyalty:
An Empirical Study In Noida

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INTRODUCTION

Private labels have come a long way over the last three decades. They started with retailers wanting to offer cheaper substitutes. This was for two reasons. One, having a private label meant that retailers could negotiate a better margin from the manufacturer. And the other, when they had private labels, they had a differentiator. The biggest change in the last decade or so has been the entry of premium private labels. They are no longer saying "buy us because we are cheap", instead today; they are saying "buy us because we are the best". By offering high quality products, many private labels have started charging more than regular manufacturers.

Retailers are looking at private labels or store labels as one of the option to drive the customers to their stores. The emergence of organized retailing in India has made Private Labels a reality. It is now well within the reckoning of the consumer, retailers and brand owners. A Private Label is not merely a product with the store/ retailer's name on it. It takes more to qualify as a Private Label. The consumer must see the Private Label product as distinct from being just a 'product in a pack'. There must be a clear perception that 'it is produced by this store'.

Customers will be happier if a quality product is made available at a reasonable price irrespective of whether it is delivered by a branded manufacturer or a retailer. It is a general observation that store brands are priced 20-30% lower than the national brands. Moreover, if properly created, private labels can contribute handsomely to the revenue of the store. Private Labels require high customization in each country, region and category. They not only enhance the retailer profit, but also increase category sales and build store loyalty. Private Labels are poised to grow in the near future and throw a lot of challenges and opportunities for retailers.

DRIVERS OF PRIVATE LABEL PENETRATION

A. The manufacturer: For many years, manufacturers have focused their marketing activities on the "consumer" to the detriment of the "shopper." By using continual price promotion and reduced advertising, marketers undermined loyalty to their brands. Meanwhile, the retailer focused on people's shopping behavior and found ways to improve the experience of people visiting their stores. Only recently have manufacturers teamed up with retailers to create programs that focus on the consumer in a shopping role.

B. The retailer: Not only do retailers gain margin from their own brands, but they can also differentiate themselves from the competition with unique offerings. Retailers also benefit from the trend towards "disintermediation." Retailers, because of their close relationships with shoppers, can take advantage of this and target specific lines to match local needs.

C. The shopper: The people doing the purchasing, as well as those consuming the products, have been quite happy to try private label offers. There are numerous reasons for this, with the most obvious one related to economics. Generally, during a period of escalating prices (like the one we are currently experiencing), consumers are more willing to try private label products.

FACTORS THAT WORK AGAINST PRIVATE LABEL PENETRATION

For all the circumstances that seem to favor the continued growth of private labels, other conditions exist that may limit the upside of these brands, at least in some categories. While the BrandZ™ database shows that for categories like diapers and mineral water in the United States, more than half of the category of users would include a store brand in their competitive set, private label baby foods or body washes are considered by, at most, just 10 percent of category users. Nielsen global data shows private label value shares ranging from 25 to 32 percent for products such as

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refrigerated food and plastic wrap to 2 percent for cosmetics and baby food. Two factors seem to drive this situation: relative cost and risk. In the case of baby food and cosmetics, the relative risk seems high even if the price differential is large. It is critical for shoppers to trust these products, and brands have invested a great deal in developing high levels of trust. On the other hand, the risk for purchasing and using diapers and mineral water is low. Economies of scale also play an important role. Economics generally favor manufacturers who can amortize fixed and developmental costs across the volume distributed through dozens of doors, while grocery chains (even national ones) might not generate sufficient sales to justify adding a store brand.

GLOBAL SCENARIO OF PRIVATE LABELS

Private label growth in global scenario is evident from the following graph. It shows private label share of market by value in %.It is evident from the graph that the private label brand will grow in the near future and can give a tough competition to the national brands.

Graph 1: Planet Retail, partly based on AC Nielsen
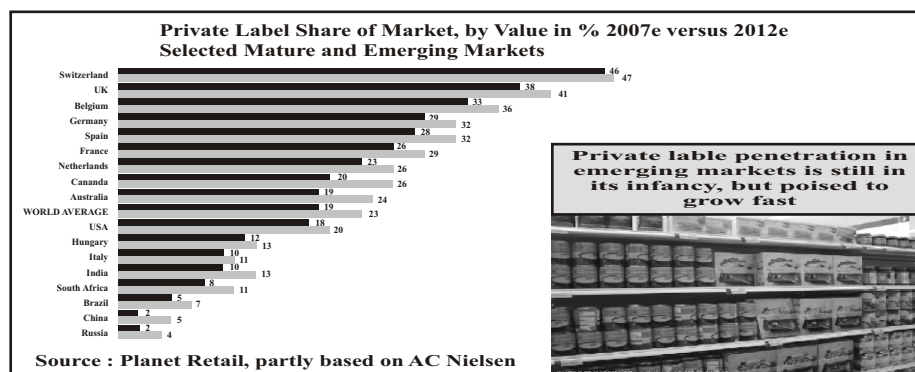
Private label products generate anything from 1 percent of All Commodity Volume (ACV) in Mexico to close to 50 percent in Switzerland (AC Nielsen, 2005). In Germany and the United Kingdom, private labels account for almost one-third of the value of goods sold. The United States has more room to grow, with private labels accounting for about 17 percent of goods sold and a strong growth rate of 7 percent. In emerging markets, sales of private label products are growing at about 10 percent per year, which is twice the overall global rate.

Private labels are widespread and are making their presence felt in almost all the categories. Categories such as personal care and food are growing at a faster pace when compared to other categories. The following table shows the global growth rate of private labels by product area.

Table 1: Private Label Shares and Growth Rates by Product Area
(Based on Value Sales)

Sl. No.	Product Area	Private Lable	
		Share (2004-05) (%)	Growth (2004-05) (%)
1.	Refrigerated Food	32	9
2.	Paper, Plastic and Wraps (PPW)	31	2
3.	Frozen Food	25	3
4.	Pet Food	21	11
5.	Shelf-stable Food	19	5
6.	Diapers and Feminine Hygiene	14	-1
7.	Healthcare	14	3
8.	Non-alcohlic Beverages	12	3
9.	Home Care	10	2
10-	Snacks and Confectionery	9	8
11.	Alcoholic Beverages	6	3
12.	Personal Care	5	3
13.	Cosmetics	2	23
14.	Baby Food	2	13
Note : Period Included Information was collected for the years ending April 2004 and 2005.			
Source: Nielsen's A C (2005), "The Power of Private Lable", Report.			

INDIAN SCENARIO OF PRIVATE LABELS

The share of private labels in any country depends on how consolidated the retail chains are. Developing a good quality brand has a high development and innovation cost attached to it. To be able to absorb such costs, Indian retail chains will need to scale up. Retailing in India is still very primitive. At the moment, private labels almost do not exist in the country. They are less than 5 per cent of the retail business and still have a long way to go. But Indian retail is extremely hot and it offers a proposition that can't be seen anywhere else in the world. Only in China and India can retail chains have as many stores as they have in the US. In no other country can one imagine companies having 5,000-6,000 stores of their own.

Indian retail is ranked 50th in the world, so there is a lot that retailers here can learn from the 49 countries ahead. But Indian retailers need to take care that the private labels they create must have some quality. Also, retailers must make sure that they don't over exercise the private label option. If they fall into the trap of using too many private labels, they will end up losing customers. It has been seen that when retail chains rely heavily on private labels, customers feel that they lack choices. According to **Nirmalya Kumar**, Professor of Marketing and Director of the Aditya Birla India Centre, London Business School, and co-author of Private Label Strategy, "In a few years, most retail chains will have close to 5,000 stores in India. A profit of, say, Rs 5 lakh a store a month would mean a profit of Rs 250 crore. 10 such companies would mean profits of Rs 2,500 crore with their combined turnover being more than Rs 25,000 crore".

Many Indian retailers have understood the importance of the private label brand and started their own brands in order to compete with national brands. Various private label brands in India are as shown in the table below:

Table 2: Private Labels in Different Categories

(A) Category : Apparel		
Retailer	**Private Brands**	**Product**
Shoppers Stop	Kashish	Ethnic Ladieswear
Shoppers Stop	Stop, Life	Clothing
Shoppers Stop	Vittorio Frattini	Premium men's wear
Piramyd	Rudra and Kaanz	Ethnic women's wear
Piramyd	Ventiuno	Shirts for men
Ebony	ETC	Formal, casual, wollen and eveningwear range of clothing in men. women and kidswear
Westside	Westside	Clothing
Westside	Ascot	Premium range of clothing for men
Westside	SRC, Westsport, 2 Fast, 4You, Richmond, Urban Angels and Westside	Clothing
Hypercity	City Sense	Value packs of tees, socks, briefs, vests, basic denim etc. for men, women and kids.
Hypercity	City Life	Everyday wear for men, women, kids and footwear, styled for value.
Hypercity	City Style	Offers the latest trends in clothing in the market at prices that are affordable
Hypercity	River Inc.	A range of quality denims for men, ladies and kids. The range comprises of basic denims, fashion denims, tees, cargos, denim shirts and jackets.
Globus	Globus and Fashion 21	Men's and women's wear
Big Bazaar	Knighthood	Shirts
Big Bazaar	AFL	'Wrinkle-free' apparel
Big Bazaar	Shyla	Apparel For Women
Big Bazaar	Pink & Blue	Children's apparel
Big Bazaar	DJ & C	Denim wear
Big Bazaar	Shatranj	Ethnic apparel
Big Bazaar	Privilege Club and Studio NYX	Evening wear
Pantaloons	Springboard and Victoria	Designer pret lines
Pantaloons	Srishti	Ethnic salwar kameez (mix and match range)
Pantaloons Fresh	Bare Denim, Bare Leisure	Ladies wear

Fashion store	John Miller, Indigo Nation, Scullers, JM Sports	
	Ajile, Urban Yoga, Akkriti and F Factor	
Pantaloons Fresh	Bare, Annabele, Honey,	Men's wear
Fashion store	Ajile and Akkriti	
Pantaloons Fresh	Chalk Boys, Chalk Girls,	Kids wear
Fashion store	Bare 7214, Giny & Jony,	
	Barbie and Bob the Builder	
(B) Category: Food and Grocery		
Pantaloon Retail	Tasty Treat	Ready to eat
Food Bazaar		
Pantaloon Retail	Premium Harvest	Basmati rice, atta and edible oil
Food Bazaar		
Pantaloon Retail	Tastymate	Dairy products beverages
Food Bazaar		
Pantaloon Retail	Pure and Fesh	Butter, three and oil
Food Bazaar		
Hypercity	Fresh Basket	Men, seafood, fresh produce, freshly
		baked breads, specialty bread
Hypercity	Hypercity	Everyday foods like cerals, spices,
		flour, pulses, dry fruits
Hypercity	Supremia	Cerales, spices, flour, pulses, dry fruits
Reliance Fresh	Reliance Select	Staples
Star India Bazaar	Star India Bazaar	Rice, sugar etc.
	(limited to packing) Select (better quality)	
	Popular (starting price-quality)	
Fabmall	Fabmall	Rice, sugar, pulses
Foodworld	Foodworld	Rice, sugar, bread, jam, socks, floor cleaners
(C) Category: Consumer Durables		
Home Solution	Koryo	Air conditioners, flat color televisions,
Retail India Ltd.		home theatres, DVD players, microwave ovens and irons
Home Solution	Sensei	Air conditioners, fm radios, pen drives, iron box
Retail India Ltd.		
Infiniti Retail	Crom ã	Home entertainment, small appliances, white goods, computers,
		communications, music, imaging, gaming software
Star India Bazaar	Millennia	Consumer Durables
Vivek & Co.	Napro	VCDs and DVDs
Vivek & Co.	Cool air	Coolers
(D) Category Lifestyle		
Shoppers Stop	Push and shove	Perfumes and deodorants
Pantaloons	Cube, Koenig, RIG,	Watches
Blue Sky	Lombard and UMM	
Star India Bazaar	Companion	Luggage
Source: Chavadi and Shilpa, (2007) "Private Labels in Retailing".		
Marketing Mastermind, Vol. VII, Issue 6, pp. 13-17		

LITERATURE REVIEW

Private labels in the consumer packaged goods (CPG) industry have seen a world-wide surge in availability and market share in recent years. According to the Private Label Manufacturers Association (PLMA 2007), "private labels now account for one of every five items sold every day in U.S. supermarkets, drug chains and mass merchandisers". The market share of private labels is projected to grow to 27% in 2010 (Planet Retail 2005). Private labels are even stronger outside North America, their market share being 26% in Western Europe (Planet Retail 2005). The main reasons that have been cited in the business and academic press for retailers' desire to stock private labels are (a) higher retail margins on private labels; (b) negotiating leverage with national brand manufacturers; and (c) higher consumer store loyalty. Significant evidence in support of the first two reasons now exists in the literature (e.g., Ailawadi and

Harlam 2004; Hoch and Banerji 1993; Narasimhan and Wilcox 1998; Pauwels and Srinivasan 2004). The focus of this paper is on the third reason-the purported ability of private labels to improve consumer's loyalty to a particular retailer. As per Dhar et al. (1997), private labels can be introduced by the retailers when cross price sensitivity between national and store brand is high. It means that variations in the price of national brands lead to a substantial change in the sales of store brands. The same holds good when the market is price sensitive. Raju et al. (1995) proposed that retailers' profits are going to increase if more number of national brands are available in a product category. Serdar Sayman et al. (2002) study on positioning of store brands found that popular national brands are usually targeted by premium quality store brands. They also observe that the competition is more intense when high quality store brands compete with national brands.

Private labels use may be associated with higher store loyalty (Richardson, Jain and Dick 1996; Steenkamp and Dekimpe 1997). For instance, Richardson et al. (1996) state that "store brands help retailers increase store traffic and customer loyalty by offering exclusive lines under labels not found in competing stores" without offering any empirical evidence on the matter. Likewise, PLMA (2007) states that "retailers use store brands to increase business as well as to win the loyalty of their customers. Whether a store brand carries the retailer's own name or is part of a wholesaler's private label program, store brands give retailers a way to differentiate themselves from the competition."

Branding research suggests that it would be difficult for a retailer's private label credibility to stretch across too many very different product categories (Ailawadi and Keller 2004). This is supported by Steenkamp and Dekimpe (1997) who report that the quality perception of a retailer's private label varies considerably across categories. On the other hand, price savings from the purchase of private labels will be more salient when consumers buy a lot of private labels than when only a few items in their shopping baskets are private labels. Also, research on the characteristics of heavy private label buyers shows that they have a generalized attitude to focus on price (Ailawadi, Neslin, and Gedenk 2001; Burton et al. 1998; Garretson, Fisher, and Burton 2002).Consumers who focus on price engage in more price search, cherry pick the best deals, and spread their expenditure across multiple stores (Mägi 2003; Urbany, Dickson, and Kalapurakal 1996).

Prior research suggests that some consumers simply are not willing to buy private label products (Ailawadi, Neslin, and Gedenk 2001; Nies and Natter 2007), particularly in some categories (Batra and Sinha 2000; Sethuraman and Cole 1999). This is particularly true of hedonic products, which are mostly bought on experiential rather than functional considerations (Assael 1998, Holbrook and Hirschman 1982).It is also true for publicly consumed products that signal what kind of people we are to others (McCracken 1986) and may entail social risk (Batra and Sinha 2000; Livesey and Lennon 1978). So, even consumers who are very loyal to the retailer will continue to buy a core set of national brands.

RATIONALE BEHIND THE STUDY

Private labels in modern retailing are a set of values and promises made by the retail organization to their customers. They are the values and promises from the organization that any competition cannot offer. It is definitely not about a product or service identity, an image or a logo created by a retail organization for its merchandise or services to be known. It can be defined as a private brand of the retailer. It may not be the product produced by the retailer, but they can make agreements with small scale manufacturers to produce products for them.

The major reason for the retailers to go for private labels is to boost up their sales and increase profit. But it is true that no retailer can make huge amounts of profits from private labels as mostly they will be charged at a lower price due to low marketing and operational costs. The demand for the product will depend upon the utility and quality of the product. So, the retailer cannot compromise on the quality.

The people doing the purchasing, as well as those consuming the products, have been quite happy to try private label offers. There are numerous reasons for this, with the most obvious one related to economics. Generally, during a recession or a period of escalating prices (like the one we are currently experiencing), consumers are more willing to try private label products. While many will return to traditionally branded products when the economy turns around, some will stay with private labels, thus driving up the baseline level for those products. Therefore, this exploratory research was carried out on a private label and store loyalty to find out the effect of factors that affect the private label brand prospect in India.

OBJECTIVES OF THE STUDY

The primary aim of the study was to study the relationship between Private Brands & store loyalty. The research was done to see whether various factors related to any private label brand are related to store loyalty or not. Therefore, the objectives can be enumerated as follows: -

✓ To find out the various factors that builds the store traffic.
✓ To study the association between private labels' quality and store loyalty.
✓ To study the impact of private labels' promotion on store loyalty.
✓ To study the impact of price differential between national brand and private label and store loyalty.
✓ To study the association between private label's innovativeness and store's loyalty.

HYPOTHESES

Hypotheses taken for the study are as follows:

1. Null Hypothesis (H_O): Attributes are uncorrelated with the population.

Alternate Hypothesis (H_A): Attributes are not uncorrelated with the population.

2. Null Hypothesis (H_O): Store loyalty and quality of a private label are independent of each other.

Alternate Hypothesis (H_A): Store loyalty and quality of a private label are dependent on each other.

3. Null Hypothesis (H_O): Price differential between national brand and private label and store loyalty are independent of each other.

Alternate Hypothesis (H_A): Price differential between national brand and private label and store loyalty are dependent on each other.

4. Null Hypothesis (H_O): Private label's promotion and store loyalty are not related.

Alternate Hypothesis (H_A): Private label's promotion and store loyalty are related.

5. Null Hypothesis (H_O): Private label's innovativeness and store loyalty are not related.

Alternate Hypothesis (H_A): Private label's innovativeness and store loyalty are related.

RESEARCH METHODOLOGY

● **Research design:** An exploratory study has been carried out to get clarity of the objectives by interacting with customers. The underlying and the most important factors driving customers to the stores were also explored. Descriptive study was carried out to study underlying association between the store loyalty and various factors.

● **Scope and sample of the study:** In order to analyze the relation between store loyalty and a private label brand, the study was conducted using the survey method on a sample of 200 respondents. The study is confined to respondents of Noida only. The sample was chosen on the basis of random sampling. Profile of the respondents is given in the Annexure-1.

● **Method of Data Collection:** In the present study, data was collected through a structured questionnaire. Pretesting of the questionnaire was done on 25 people.

● **Item Selection:** The important factors which affect consumer choice that ultimately affects store choice of the customer are explored in this study. For this, 20 attributes were selected. Factors affecting the store loyalty and private label brand relation were also selected. The subsequent list of attributes was presented to 25 people used in the preliminary exploration and they were asked to suggest any changes to the list. On the basis of those responses, the language of some of the parameters was slightly modified and used in the final survey.

● **Scale and scoring of items:** Scaling techniques used in the questionnaire was Likert Scaling. Respondents were presented with five response categories ranging from most important to least important and were asked to rate the factors according to their preference. (5=Most important and 1= Least important).

● **Questionnaire design:** The questionnaire was a blend of following types of questions: -Questions generating classification and identification information (name, age group, profession);Dichotomous and multiple choice questions; Question based on semantic differential scale (5-point scale) and rank order; Open-ended questions were put in to get the views of the respondents at large; Codes were assigned to the responses of the classification questions and to the rating questions (5=Most important and 1= Least important).

FINDINGS AND ANALYSIS
HYPOTHESIS 1

The important factors which affect consumer choice, which in turn affects store choice of the customers are explored in this study. The Following table shows the list of variables considered.

Table 3: Variable Considered for the study

Sr. No.	Factors	Sr. No.	Factors
1	More variety	11	Fair prices
2	Good Quality Product	12	Depth in product
3	Private labels	13	Value for money
4	Location	14	Fast Billing
5	Near to home	15	Better lighting
6	Take order on Phone	16	Store design
7	Close to work place	17	Home delivery
8	Convenience	18	Credit given
9	Open for long hours	19	Good experience
10	Parking facility	20	Likes the place

Principal Component Analysis was used since it was an exploratory factor analysis. The important parameters were listed as shown in the table and each respondent was asked to rate them according to the importance in their store selection decision on a scale of 1 to 5. (With 1 being the least important and 5 being the most important). Factor analysis was used here to understand the interdependence amongst the attributes. The hypothesis which was designed for the factor analysis is as follows:

Null Hypothesis (H_O) : Attributes are uncorrelated with the population.

Alternate Hypothesis (H_A) : Attributes are not uncorrelated with the population.

Factor analysis was run by using principle component analysis method in SPSS
Results of factor analysis from SPSS are as follows:

Table4: KMO and Barlett's Test of Sphericity

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.784
Bartlett's Test of Sphericity	Approx. Chi-Square	1414.755
	Df	105
	Sig.	.000

Table 5: Rotated Component Matrix (a)

	Component					
	1	2	3	4	5	6
Fast Billing	0.078	0.186	0.865	0.025	0.051	0.203
Better lighting	0.861	-0.07	0.2	0.156	0.23	-0.18
Convenience	0.65	-0.08	-0.014	0.634	0.16	0.109
Value for money	0.197	0.865	-0.19	0.199	-0.17	0.036
Fair prices	-0.19	0.813	0.098	-0.07	0.153	0.027
Good Quality Products	0.419	0.607	0.315	0.273	-0.07	-0.08
Open for long hours	0.463	0.518	0.889	0.465	-0.02	0.082
Take order on Phone	0.122	-0.02	0.884	0.973	0.259	0.078
Parking facility	0.027	0.371	-0.469	0.23	0.454	-0.34
Credit given	-0.02	0.059	0.055	0.795	0.034	0.396
Depth in product	0.006	0.397	-0.004	0.727	0.916	-0.14
Home delivery	0.151	-0.05	0.413	0.687	0.236	-0.08
Good experience	0.213	-0.31	-0.148	-0.25	-0.76	-0.05
Store design	0.337	0.01	0.125	0.065	0.693	0.304
Private labels	-0.22	0.267	0.483	-0.13	0.59	0.27
More variety	0.359	0.52	-0.003	0.066	0.571	0.094
Location	0.069	0.154	-0.073	-0	0.037	0.869
Near to home	-0.07	-0.21	0.319	0.207	0.216	0.654

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. a Rotation converged in 12 iterations.

INFERENCE

Two attributes, viz. liking the place and near to work place were rejected from the original set of 20 because they were having least co-relation with all the other attributes (Refer to Annexure 1: Co-relation Matrix). The KMO and Bartlett's test value 0.784 which is greater than 0.5 (refer to table 4) is considered adequate to conduct factor analysis. From Table 6 it is clear that the initial 18 variables have been reduced to 6 variables. From Rotated component matrix, we can club these variables as follows:

Table 6: Clubbed Variables

Sr. No.	Factor name	Clubbed Variable			
1	**Experience**	Convenience	Better Lighting	Good experience	
2	**Value**	Good Quality	Fair Price	Value for money	
3	**Time Utility**	Open For long Hours	Fast Billing		
4	**Possession Utility**	Order on phone	Home Delivery	Credit Given	
5	**Merchandize**	More variety	Private label	Depth of product	Store Design
6	**Place utility**	Location	Near to Home		

HYPOTHESIS 2

Null Hypothesis (H_O) : Store loyalty and quality of a private label are independent of each other.

Alternate Hypothesis (H_A) : Store loyalty and quality of a private label are dependent on each other.

INFERENCE

As the value of p (0.008) is less than α (0.05), null hypothesis is rejected. Hence, the Store loyalty and quality of a private label are dependent on each other. (Refer to Annexure-3)

HYPOTHESIS 3

Null Hypothesis (H_O) : Price differential between national brand and private label and store loyalty are independent of each other.

Alternate Hypothesis (H_A) : Price differential between national brand and private label and store loyalty are dependent on each other.

INFERENCE

As the value of p (0.000) is less than α (0.05), null hypothesis is rejected. Hence, the Price differential between national brand and private label and store loyalty are dependent on each other. (Refer to Annexure-4)

HYPOTHESIS 4

Null Hypothesis (H_O): Private label's promotion and store loyalty are not related.

Alternate Hypothesis (H_A): Private label's promotion and store loyalty are related.

INFERENCE

As the value of p (0.014) is less than α (0.05), null hypothesis is rejected. Hence, Private label's promotion and store loyalty are related. (Refer to Annexure-5)

HYPOTHESIS 5

Null Hypothesis (H_O): Private label's innovativeness and store loyalty are not related.

Alternate Hypothesis (H_A): Private label's innovativeness and store loyalty are related.

INFERENCE

As the value of p (0.000) is less than α (0.05), null hypothesis is rejected. Hence, private label's innovativeness and store loyalty are related. (Refer to Annexure-6)

CONCLUSION

From this study, one can come to the conclusion that private labels are able to position themselves significantly in the minds of the customers and are gaining acceptance. Category growth in specific private label segments such as apparels, consumer durables, food and grocery are growing at a faster pace while the lifestyle product category is yet

to pickup. The future of private labels is dependent on the retailers' ability to over come key challenges such as adaptive supply chain practices, quality infrastructure, co-optation, hybrid marketing channels, talented professionals, accelerated growth in new categories, blurring dividing lines between private label and national brand and more manufacturing know-how.

From the study, it was found that Experience, Value, Time Utility, Possession Utility, Merchandize, and Place utility are the most influencing factors which drive the customer to a particular retail store. Therefore, these are the factors which should be considered while planning a store design. This will help the retailers to build store traffic. Thus in return, it will help the retail stores to increase sales.

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ANNEXURE-1

PROFILE OF THE RESPONDENTS			
Monthly Income	**No.**	**Age Group**	**No.**
Less Than 10000	55	Less than 25	69
10001 to 25000	59	25-34	55
25001 to 40000	67	35-44	28
40001 and above	19	45 and above	48
Occupation of Respondents	**No.**	**Gender**	**No.**
Student	70	Male	110
Business Person	54	Female	90
Professional	55		
Government Employee	21		

ANNEXURE-2

Compo-nent	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	5.165	25.825	25.825	5.165	25.825	25.825	3.133	15.666	15.666
2	3.149	15.745	41.570	3.149	15.745	41.570	2.919	14.594	30.261
3	2.312	11.561	53.132	2.312	11.561	53.132	2.734	13.668	43.929
4	1.923	9.617	62.749	1.923	9.617	62.749	2.639	13.193	57.122
5	1.712	8.561	71.310	1.712	8.561	71.310	2.458	12.290	69.413
6	1.399	6.995	78.305	1.399	6.995	78.305	1.779	8.893	78.305
7	.986	4.929	83.235						
8	.832	4.161	87.396						
9	.673	3.365	90.760						
10	.591	2.956	93.716						
11	.447	2.233	95.949						
12	.323	1.613	97.562						
13	.236	1.179	98.741						
14	.127	.634	99.375						
15	.075	.426	99.801						
16	.033	.167	99.968						
17	.010	.023	99.991						
18	.007	.010	100.000						

Total Variance Explained Extraction Method: Principal Component Analysis.

ANNEXURE-3

Store Brand Quality and Store Loyalty Cross tabulation

Count

		Store Loyalty		
		Yes	No	Total
Store Brand Quality	Premium Quality	55	38	93
	Average Quality	46	9	55
	Acceptable Quality	34	18	52
Total		**135**	**65**	**200**

Chi-Square Tests

	Value	df	Asymp Sig (2-sided)
Pearson Chi-Square	9.597[a]	2	.008
Likelihood Ratio	10.327	2	.006
Linear-by-Linear Association	1.479	1	.224
N of Valid Cases	200		

a. 0 cells (.0%) have expected countless than 5. The minimum expected count is 16.90

ANNEXURE-4

Price Difference and Store Loyalty Crosstabulation

Count

Chi-Square Tests		Store Loyalty		
		Yes	No	Total
Price Difference	More	70	57	127
	Less	65	8	73
Total		**135**	**65**	**200**

Chi-Square Tests

	Value	df	Asymp Sig (2-sided)	Exact Sig (2-sided)	Exact Sig (1-sided)
Pearson Chi-Square	24.316[b]	1	.000		
Continuity Correction	22.795	1	.000		
Likelihood Ratio	27.040	1	.000		
Linear-by-Linear Association	24.195	1	.000	.000	.000
N of Valid Cases	200				

a. Computed only for a 2x2 table

b. D cells (0%) have expected count less than 5. The minimum expected count is 23.

ANNEXURE-5

Promotional Efforts and Store Loyalty Crosstabulation

Count

Chi-Square Tests		Store Loyalty		Total
		Yes	No	
Promotional Efforts	More	100	37	137
	Less	35	28	63
Total		135	65	200

Chi-Square Tests

	Value	df	Asymp Sig (2-sided)	Exact Sig (2-sided)	Exact Sig (1-sided)
Pearson Chi-Square	5.981[b]	1	.014		
Continuity Correction a	5.213	1	.022		
Likelihood Ratio	5.842	1	.016		
Fisher's Exact Test Linear-by-Linear	5.951	1	.015	.022	.022
Association					
N of Valid Cases	200				

a. Computed only for a 2x2 table

b. 0 cells (0%) have expected count less than 5. The minimum expected count is 20.

ANNEXURE-6

Store Brand and Store Loyalty Crosstabulation

Count

Chi-Square Tests		Store Loyalty		Total
		Yes	No	
Store Brand	Innovative	67	54	121
	Traditional	68	11	79
Total		135	65	200

Chi-Square Tests

	Value	df	Asymp Sig (2-sided)	Exact Sig (2-sided)	Exact Sig (1-sided)
Pearson Chi-Square	20.53g[b]	1	.000		
Continuity Correction a	19.164	1	.000		
Likelihood Ratio Fisher's Exact Test	22.124	1	.000	.000	.000
Linear-by-Linear Association	20.437	1	.000		
N of Valid Cases	200				

a. Computed only for a 2x2 table

b. 0 cells (0%) have expected count less than 5. The minimum expected count is 25.

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