Store Loyalty: A strategic commitment for store brands. Conceptualizing product management, customer satisfaction, and customer loyalty, in Cochin City

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Abstract - Store brands play a vital role in retail strategy. They are doing beyond just adding value through convenient pricing. In today's Indian retailing scenario, private labels have gradually grown and strategically positioned in the gaps where national brands were already placed. Private labels are trending and they can easily service the needs arising from emerging trends and create new and niche categories. Present day consumers are seen to have a different set of value drivers, which are more intrinsically linked to their savings and prudence. This necessitates creating, building, and managing differentiated retail store brands, and image differentiation, to attract and retain shoppers. The objective of the study is to explore the reasons of how and why consumers make private label brand choices and investigate the existence of private label brand patronage for customer satisfaction and its consequent impact on store loyalty. The focus of this research is to propose a whole new model to explore practices of private label brand patronage and its impact on customer satisfaction attributes and store loyalty while examining the managerial implications and opportunities for the same. The paper takes the form of empirical research on a partial application. Results show that the relationship satisfaction-loyalty is significantly present with store brands.

Keywords: Private labels, customer satisfaction, and consumer loyalty.

I. Introduction

The Indian retail industry is estimated at USD 520 Billion in 2013 and projected to grow at a rate of 13 % and willhave a market size of USD 950 billion by 2018 (E&Y, 2014).Retail sector has become competitive with the emergence of organized retail players. Currently retailers are focusing on developing their own brands or private labels to enhance customer loyalty, to add diversity and for better margins. Categories like packaged foods, refined edible oils, breakfast cereals, ketchups and sauces account for 75% of total sales of private labels (Hindustan Times, 2013).Breakfast cereal market in India was pegged at USD 157million in 2013 and expected to have a double digit growth over next five years (Techno Pak, 2014). Indian snack market is valued at 2.1 billion USD in 2014 (Business today,2014). So this makes these categories attractive to organized retailers to develop their own private labels or store brands. The contemporary description about private labels or store brands given by Nirmalya Kumar and Steen Kamp (2007)is that private labels are any brand to be produced and owned by the retailer which is sold exclusively in retailer's outlet only. Most of the private label brands are in apparel segment followed by food, grocery segment, electronics and home interiors. Future group has private labels in apparels, electronics, food and personal care segment. Tata group has own labels in apparels and electronics segment. We have players like ITC, Koutons, Shoppers stop and other foreign players like Lifestyle, Zara in apparel segment who have their own store brands. Reliance group, Aditya Birla has private labels limited to food, grocery and personal care products. RPG group have private labels in food, personal care and apparels. Even though private label preference is increasing it requires an in depth study to understand the major factors that influence the consumer purchase.

Indian Scenario

As compared to the global scenario, in emerging markets like India the private label market is still at a nascent stage. Though the share is still less than an estimated 7-8 per cent

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(US$ 1.4-1.6 billion) of organized retail sales, it is growing fast. Growth is primarily driven by:

i. Increasing strength of modern trade, by adding new categories into private label.
ii. Relatively brand loyal and high 'value 'coconscious Indian consumers in food and apparel category
iii. Entrant of private label products into new categories like home Decor, furniture electronics, where brand strength is relatively much lower.
iv. India's largest retail company Future Group has private labels in its formats Big Bazaar, Food Bazaar, FBB, koryo, Besides these it also has many other private labels across categories and formats.
v. Aditya Birla's private labels has private labels in all the formats starting from pantaloons to People, Forever 21, Madura fashion &lifestyles etc
vi. Tata has Star bazaar, Westside, Zudio Tata Croma has plans for 100+ private labels across categories like apparel, home décor, personal care equipment, laptops, small appliances, etc
vii. Reliance group are into various retail formals, which include FMCG, apparel footwear stationary, electronics, jwellery etc.
viii. Shoppers Stop has more than 20 brands in private labels in apparels and accessories. The prominent ones being Stop, Kashish and Life.
ix. Vishal mega mart impressive chain of 172 full integrated stores, selling private label brand in grocery, and apparels. The major brands are blue & khaki, chlorine, paranoia, Soil, Zero degree.etc
x. D Mart is a one-stop supermarket chain that aims to offer customers a wide range of basic home and personal products the major brands are D Mart Minimax, D Mart Premia, D Homes, Dutch Harbour. The company is planning for further expansionand enty into new categories.

Prospects of Private Label Brands

i. The vast changes are taking place in retail sector, and the shift from unorganized to organized retailing is growing, Many foreign player may also enter into Indian market private labels will have a very bright future.
ii. The study conducted by A.C. Neilson (2005) on private labels in India, it was found that 56% of the respondents believed that private labels are good alternatives to national brands. The study also highlighted that 62% of the respondents feel that private labels are good value for money.
iii. Introduction of new category of products and additional efforts are immensely increasing for promoting the private labels of retail outlets which includes in store advertisements, additional discounts on private label purchase, additional space for the store brands. This clearly represents that the retailers want to grow with the growth of their private label business.
iv. Private label growth is in its price, availability and assortment Private label products are usually priced 15% to 40% lower than branded products. The smaller introductory pack sizes are also an cutting edge over the national brands, which clearly portrays the growth of private labels.
v. Major retailers like Future Group, Aditya Birla Retail Reliance Retail and Hyper city had strategically positioned the private label into two categories economy and premium. This bifurcation has more loyal customers to the store.

II. LITERATURE REVIEW

Private label purchase is determined by many factors. When we consider food segment in general there are multiple factors that can influence the purchase. These factors may vary depending on the individual category in the food segment. The major factors that determine the private label are product management customer satisfaction, and customer loyalty

I.Product management factors

1. *Perceived image of the store and store brand*

Dhruv Grewal, R. Krishnan, Julie Baker, Norm Borin,1998 developed and tested an abstract model of the results of store name, complete names and worth discounts on consumers' evaluations (store image, complete quality perceptions, internal reference costs, and worth perceptions) and buy intentions. The study shows shopper data and previous possession on the planned relationships within the model are explored. The study states a store's perceived image is influenced by the shop name and therefore the quality of merchandise it carries. The study indicated that internal reference worth is influenced by worth discounts, brand name, and a brand's perceived quality. The study concludes by stating retailers, therefore, should pay specific attention to merchandise choice and worth discount ways as they play a vital role in shaping consumers' perceptions valuable.

Irina Petrovna komissarova et al, (2017) had assessed of perceptions of personal label product of various classes by young customers of national capital. The results confirmed that non-public label product of assorted classes are separate as perceived otherwise by customers, and showed that, apart from bound merchandise, generally customers still like national brands over personal labels; the most reason for not buying personal label product is their low quality; whereas the most incentive for buying personal label product is their low value. Satendra Thakur, Suresh Kumar Sharma, Deepak Kumar 2016 describes the connection between organized food retail stores and shopper behavior. For this purpose three major factors of organized food retail stores like product, value and repair

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are taken. The results of the study states there is no important distinction between product and shopper behavior. It means that product of organized food retail stores is cognate with shopper behavior (Nordfält, J. 2011; Miranda, MJ and Joshi, M 2003).

The study aide that retail stores ought to pay correct attention on the merchandise towards creates positive shopper behavior, the study conjointly states attention towards value of the merchandise so as to create satisfaction and on the opposite hand they must time to time try and is aware of that value of the merchandise match with the client expectations. Cristina Calvo-Porrala, Jean-Pierre Lévy 2017 illustrates the merchandise perceived quality influence store brands' purchase intention, since perceived quality could be a customer-based undertaken variable. The study, identifying between customers with high perceived quality (HPQ) and low perceived quality (LPQ).The findings highlight that store brands' purchase intention is powerfully influenced by confidence for each HPQ and LPQ customers, followed by product value. Additional the results counsel the alleviatory role of perceived quality on a number of the projected relationships. Store whole managers and retailers might develop market segmentation and perform selling methods supported customers' perceived quality.

2. *Product Display*

The most important aspect of successful in-store displays is for retailers to understand their customers and their habits according to Terrazas (2006). Strategic displays can then be devised that help to increase sales especially through unplanned purchases by consumers. One strategy may be to identify the commonality of goods bought by list-buyers and then attractively display complementary products next to these common products. Displaying the most popular products purchased by your clients in the back of the store could be another strategy - this forces the client to walk past and be confronted by as many other items first (Suja R. Nair,2018). It is also common practice to separate popular items (strategic display). Bread and milk, for instance, will most likely be displayed at the two most opposite ends of the store which will force the consumer past a host of products encouraging impulsive buying en route to the other essential product (Terrazas, 2006). Shopping trolleys designed to accommodate kids require strategic trolley height displays that will catch the children's attention because children play a big role in shopping trends (Terrazas, 2006).

Nordfält (2011) studied aspects of improving the displays´ attention-capturing abilities by varying the design and the components combined in a special display. 13500 customers were observed as they approached special displays and it was found that retailers can considerably increase the sales by changing from one display design to a design much more effective in directing consumers´ observational behavior. (Nordfält 2011) Thus, changing the displays and their design can improve the impact of them.

The aim of the marketers is to evoke these effects in consumers and because of this the influencing factors in-store becomes an important approach to impact consumer decision making at the point of purchase. Visual stimuli is a great way to evoke these feelings. Aspects of Hefer & Cant´s study show that consumers´ attention is drawn to certain aspects (such as colour and breathing space in the store) of visual merchandising displays. This makes for a positive shopping experience which hopefully will lead to a purchase decision made in the store. (Hefer & Cant 2013) It seems though that younger and more educated consumers are more affected by in-store marketing since they are more open and willing to consider and select brands that are brought to their attention by in-store influencing factors. (Chandon et al 2009; Sethuraman, R 2003)

3. Private Label Assortments

Assortment is defined as a number of SKUs (Stock Keeping Units) offered in a unique category of products (Broniarczyk and Hoyer, 2006). Usually, they are characterized by two components: (i) width, which refers to the number of different brands offered by the retailers and (ii) the depth, which refers to the average number of SKUs offered by brand in a determined category (Dhar et al., 2001). Besides two main components, other variables that integrate the merchandise category are symmetry, organization strategy, level of organization, disposal, compatibility of structures (Broniarczyk and Hoyer, 2006) and market- share (Dhar et al., 2001). All these components and variables have direct influence on the perception of the client in relation to the offered assortment; therefore, they impact significantly the volume of sales, gross margins and the profits of the retailers and other members of the chain (Kök et al., 2007)

The goal of the Assortment Planning (AP) is to specify an assortment that maximizes sales and profits which counterbalance the offer of products based on the decisions made about sales; it also increases the probability for consumers to find their own favorite product without increase in storage costs or risk of stock out. The study verified that the owners and managers evaluated assortment planning as a primordial strategic tool and considered important a system of information. Although recognizing the strategic importance of assortment planning the control of unproductive variety, the consumer of retail goods. Defining the variety and appropriate quantity of products, relating the needs of the client and the operational costs are a complex task and determinant of the competitiveness of retailers. Consequently, they pose a challenge for the retailer to generate the ideal AP that maximizes the total profits of business.

Factors in assortment composition: influence on store loyalty

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Assortment is one of the most important competitive tools a retailer can use to attract consumers into the store (Simonson, 1999). Many authors (e.g. Baker, Parasuraman,& Voss, (2002); Sirohi, McLaughlin, & Wittink, (1998); Sloot& Verhoef, (2008); Verhoef, Langerak, & Donkers, (2007) have suggested that attitude towards retailer's assortment influences consumers' intention to continue purchasing at the store. Attitude towards an assortment is a function of, amongst other things, assortment size and composition.4In view of our focus on the differences between mixed and store brand-only assortments we decided to analyse the influence on store loyalty of the following factors affecting assortment composition: (1) Store brand-equity (both types of assortment);(2) number of brands (mixed assortments only); (3) pro-portion of high-equity national brands (mixed assortments only); (4)presence of consumer's preferred brand (both types of assortment).

4.Price and quality aspect of private label.

A number of researchers have investigated the effect of the price differential and its related constructs such as price – quality associations. This section outlines the findings of relevant price related studies. Miranda and Joshi (2003) have described "Price Consciousness is the degree to which consumers use price in its negative role as a decision making criterion" Consumers' perceptions of price are central in influencing the purchase behavior. Though many definitions are offered by Lichtenstein et al. (1993) and other authors towards 'Price Consciousness', the study defines it as: "the degree to which the consumer focuses exclusively on paying low prices". The general consensus in research is that price. is the most important reason for purchasing store brands as stated by Burger and Schott (1972); Burton et al. (1998); Sinha and Batra (2000),studies of store brands have often used 'Price Consciousness' as one of the attitudinal characteristics describing store brand buyers. Batra and Sinha (2000) have found that price consciousness is the strongest of all variables studied, which significantly affects consumers' propensity to buy store brands. The results indicated that store brand purchase rises significantly in product categories where consumers have higher price consciousness. Baltas (1997) has found that customers looking for the cheapest brand, buy store brands because of lower prices or higher preferences. They have a high frequency of shopping in that category and they are satisfied with the available brands, are they more likely to buy store brands

II. Customer Satisfaction related factors

I. Service quality and purchase intension

Nosica Suzanawaty, Rizkalla and Leis (2012) evaluated whether or not store image and repair quality have a sway on personal label whole image and buy intention towards personal label whole product. This study additionally includes perceived risk and value consciousness as a variable which will type a perspective towards the acquisition of personal label whole merchandise. The study disclosed that, there are four vital methods, they are service quality to personal label whole image, service quality to buy intention towards personal label whole image, personal label whole image to perceived risk and perceived risk to buy intention. The study ended that service quality could be a issue that affects consumers' purchase behavior towards personal label whole. analysis outcome reveals that service quality could be a vital consider influencing personal label whole image and buy intention. Samit Cela, Stele Cazacu (2016) has identified, within the context of the financial condition, the Greek consumers' attitudes and buy intentions towards personal label brands, notably towards food personal label merchandise. The study investigated the relationships between purchase intention, that was the variable quantity, and every of the subsequent freelance variables: perceived quality, perceived risk, perceived edges (i.e. perceived value, packaging and advertising), trust, perceived economic scenario, peer pressure and socio-demographic variables (i.e. gender, age, financial gain and education).

II. Role of Sales person

Arif Hasan, Dr. Fayaz Ahmad Nika (2013) states there is growth of market share of personal label brands. The study concentrate on various factors that influence the client throughout their intention to shop for or {decision making| deciding |higher cognitive method} process, of personal label merchandise. High level of quality/credibility, store offered services, reference cluster recommendation impact within the mind of customers. Store want robust whole image to create initial purchase with influencing promotional activities to create initial purchase by client from specific store and attract additional client for his or her own whole image. The result conjointly showed that within the shop salesperson influencing behavior is a significant role. When purchase {of personal} salesperson will portray varied benefits of getting private whole over national whole. Earlier costs was the choice criteria for client throughout creating of purchase any product however the state of affairs has modified beside valuation issue different services rather like when sales service, ambience, inform the good thing about product throughout purchase square measure having necessary role throughout purchase of any on the market whole (Zul Ariff et al., 2016).

Hari Govind Mishra et al., (2014) to look at the shop attributes for a standard store in Indian context, the connection between store attributes and client perceptions in several retail classes in ancient stores. Another important relation that was evolved was the analgesic result on the connection between distances traveled on the client perceptions. The study reveals client perceptions for store attributes in different classes. Just in case of Grocery merchandise customers principally emphasize on product assortment, product handiness and retailers angle. The

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study reflects that the shoppers just in case of grocery merchandise attend a well-known distributor and trust him for the purchases. The buyer study merchandise customers principally emphasize on the shop image, product assortment and discounts offered by the distributor. Just in case of attire client appearance for product assortments, product handiness and discounts offered at the shop.

Tirthala Naga et al. (2013) argued the consumers feelings, opinions and behavior, regarding the store retailers strategies and his offerings. The study indicates that the consumer's he provision for store brand credit cards has a direct and positive relationship on purchasing store brands, as it would not let the buyers to postpone their buying decisions. The buyers otherwise postpone it, due to the lack of immediate financial provisions The findings highlight the freedom to select customers own preference needs will drive away the fear of buying unnecessary items along with necessities in the combo offers and losing money on such purchases. This strategy in fact delights the customers to revisit and buy even more store brands. The findings also highlights the price differentials meant for comparison between store brands and national brands has impact up on the purchase intention of store brands. Finally the shopping experience aspects with respect to customers which in turn re-enhance the customer loyalty and thus the profitability base of the retailers

III. Store loyalty related factors

1. Store Image

Sanjivini Gangwani, Meenu Mathur (2016) assessed the influence of store image on Indian client purchase intention of personal label brands. The study disclosed the shop image constructs, six factors of store image were extracted through correlational analysis. The findings states that the known store image dimensions 'Sales Personnel and Store Association'; 'Promotion and Institutional'; and 'Merchandise' have important impact on PLB-Purchase Intention. The study suggested retailers must concentrate on all dimensions/sub-dimensions of store image, like sales personnel coaching and appearance; enticing and appealing store atmosphere; visual merchandizing, advertising, loyalty programmes and in-store promotion; client service; merchandise assortment, selection and style; and finally retailers should make sure that they supply their customers convenience of time and place

Rita CoelhodoVale et al (2016)stated that a set of store loyalty driving factors is related with specific characteristics of the stores. In fact, product assortment, location service quality, and store atmosphere, can also affect consumers' store evaluations and store choices Maruyamaand Wu,(2014); MesquitaandLara,(2007); Pan and Zinkhan,(2006). The integrative analysis, six of the most commonly cited in-store factors:

(1) Appearance and environment of the store, typically associated with store comfort and its physical aspects, such as its layout Dabholkar etal., (1996); Shukla and Babin, (2013).

(2) Store convenience, which encompasses store characteristics that facilitate consumers interaction with it such as delivery services and multi-payment alternatives (Dabholkar etal., (1996); Orel and Kara,(2014; Maruyamaand Wu,(2014).

(3) Store employees, often considered as a main motivating factor for consumers to visit stores Odekerken-Schroderetal.,(2001) and that help strengthen consumers' confidence in the supplier.

(4) Merchandising quality perception, influenced by the assortment characteristics (e.g., number of brands and type of products offered; Briesch etal.,(2009); Maruyamaand Wu,(2014).

(5) Service quality, which includes an adequate and proactive employees response to consumers' needs and directly influences customer satisfaction and shopping experience Odekerken- Schroderetal.,(2001); Mar- tos-Partaland Gonzaléz-Benito, (2013), and finally

(6) Social groups, which refer to consumers' level of empathy and recognition with the other consumers that share the store environment Woodand Hayes (2012), and that have been suggested to play a role when choosing in which store to shop Child etal.,(2002).

Limitations of the existing studies

Most of the research studies focused on the store brand, availability price, quality and category attributes which can vary across the globe. Other factors like product management, customer satisfaction and store loyalty programmes were not studied in Indian context. So these factors need to be considered for future research and its inter-relationship.

1) Major studies related with private labels are happened in developed countries. Being a nascent market there is immense scope of studying about private labels and different factors that determine the private label purchase in Indian context.

2) One of the major factors that determine the private label purchase is the number of variants offered by private labels. The national brands offer higher variety in terms of flavour, packaging and content then private labels cannot perform well in such category. So how this factor affects the private label purchase need to be studied.

3) The strategy of customer retention and repeat purchase has always being a challenge for the retailer. Effective store loyalty programmes can also influence the store brand purchase. Initiatives like this can enhance retailer's image and consumer confidence in the retailers which can be a driver for private label purchase. This factor was not considered in many studies which need to be explored to understand the private label purchase.

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Need for the study

Retailers are enhancing private labels in food categories. From the previous research studies, the major factors that determine private label purchase include price, quality and quality perceptions, product familiarity, value consciousness, store image and other store factors like in store promotions, shelf space allocation and visual merchandising. When we consider categories like breakfast cereals and snacks consumer preference can be influenced by multiple factors. For studying these factors we need to have product management and purchase intensions drivers which can help us to look into these factors. This study also helps us to understand the consumer preference for private labels in food categories.

Nature of the Study

The data collection was done using structured questionnaire which has 39 items which measured different factors that determine private label purchase in breakfast cereals and snacks (Biscuits and Traditional snacks). Consumer responses were collected from Mysore. Five point Likert scale was usedto measure the factors. The response were collected from consumers at organised retail outlets and households. Data analysis was conducted using software packages SPSS V 21.

Objective of the study:

i. To understand the Store Loyalty, Conceptualizing product management customer satisfaction, and customer loyalty for food Private label.
ii. To measure the factors that moderate the purchase of food store brand

III. METHODOLOGY

The study was conducted among shoppers of big bazar, more Reliance mart at Cochin (13outlets). In Cochin the survey was conducted partly in households and retail outlet located at MG Road. The study need to be conducted both in store and households to understand the consumer dynamics of private label preference. The reason is that consumer choices can change instantly based on the best offer and product available in retail outlets. More over in ready to cook and ready to eat are categories in which consumer's preference and perception can differ a lot especially when they do shopping at retail outlets.

The research design for the present study is descriptive in nature and cross sectoral so as to describe the statistical association between the three variables viz Category management practices, customer satisfaction and store loyalty.

The source of data used for the study is primary and secondary. Primary data is collected by a self-administered questionnaire using a survey (Mall intercept method). The secondary data is collected from journals magazines business reports and World Wide Web.

A structured questionnaire is being developed to collect on the variables of the study. The questionnaire includes 67 items that are related to category management practices, customer satisfaction, purchase intensions and store loyalty in five points likert scale (Strongly agree –SA to strongly disagree-SDA)and demographic characteristics in nominal interval and ratio scale.

The questionnaire is to be pilot tested before the main survey. The plan for the pilot study is to administer the questionnaire to 50 respondent of the selected retail stores in Ernakulum city. The sampling unit is the retail store shopper who buys private label food product. According to business reports (AC Nielson And Retailer India) About 50% of retail shopper buy private label food products . Based on this and designing for a Plus minus %% Sample error at 95% level of confidence the number of respondent require is 384. The researcher plans to take a sample of 500 respondents to administer the questionnaire. The respondent to administer the questionnaire the respondent would be selected by stratified random sampling technique during random visit at random times to the retail stores.

Data Collection: The data collection was done using structured questionnaire which has 39 items which measured different factors that determine private label purchase in breakfast cereals and snacks.

Sample size: The total sample size of pilot study is 200 respondents.

Sampling Units: Individual Consumers who purchased from the store are the sampling units.

Sampling Method: The sampling method employed is random sampling method.

This study is totally a survey based. The Consumers are in the age group of 20 to 50 years of age group. The structured questionnaire was distributed to 100 respondents at More, Reliance and Big Bazaar (13 outlets) in Cochin city. The data was analysed using percentages, correlation and regression analysis.

IV. DATA ANALYSIS

Part 1: Profile of the respondents

		Table 1: Table showing distribution of respondents on the basis of Gender and Age						
		Age						Total
		Less than 30 years	30-35 years	35-40 years	40-45 years	45-50 years	Above 50 years	
Gender	Male	93	78	49	28	24	24	296
		13.4%	11.2%	7.1%	4.0%	3.5%	3.5%	42.6%
	Female	99	92	81	66	38	23	399

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		14.2%	13.2%	11.7%	9.5%	5.5%	3.3%	57.4%
Total		192	170	130	94	62	47	695
		27.6%	24.5%	18.7%	13.5%	8.9%	6.8%	100.0%

Interpretation:

The above table 1 shows the distribution of respondents on the basis of Gender and Age. According to the table female respondents formed 57.4% of the sample. Also, irrespective of gender, 27.6% of the respondents were in the age group of less than 30 years followed by the age group 30 – 35 years (24.5%) and 35-40 years (18.7%).

Table 3: Table showing distribution of respondents on the basis of Store frequently visited and Frequency of visit

Distribution of respondents on the basis of Store frequently visited and Frequency of visit						
Store visit		Frequency of visit				Total
		Once in a month	Two times in a month	Three times in a month	More than 3 times	
Store frequently visited	Reliance Fresh/Mart	87	45	19	25	176
		12.5%	6.5%	2.7%	3.6%	25.3%
	Big Bazaar	136	114	38	6	294
		19.6%	16.4%	5.5%	0.9%	42.3%
	More	88	42	32	22	184
		12.7%	6.0%	4.6%	3.2%	26.5%
	Margin Free	7	8	3	5	23
		1.0%	1.2%	0.4%	0.7%	3.3%
	Food bazaar	1	1	6	2	10
		0.1%	0.1%	0.9%	0.3%	1.4%
	Nilgiris	0	0	1	0	1
		0.0%	0.0%	0.1%	0.0%	0.1%
	Others specify	2	1	3	1	7
		0.3%	0.1%	0.4%	0.1%	1.0%
Total		321	211	102	61	695
		46.2%	30.4%	14.7%	8.8%	100.0%

Interpretation:

According to the above Table 3, the most frequented stores were Big Bazaar (42.3%), More (26.5%) and Reliance fresh/ mart (25.3%). On further observation of the table, most of the respondents would visit the store in their area once in a month (46.2%) or twice in a month (30.4%).

Table 16: Table showing Inter correlation between factors of Product Management

Inter correlation between factors of Product Management						
	Product Assortment	Product Availability	Product Presentation	Product Pricing	Product Promotion	Customer Service
Product Assortment	1					
Product Availability	0.531**	1				
Product Presentation	0.400**	0.464**	1			
Product Pricing	0.520**	0.563**	0.463**	1		
Product Promotion	0.580**	0.503**	0.552**	0.600**	1	.
Customer Service	0.461**	0.404**	0.395**	0.404**	0.566**	1

**Correlation is significant at the 0.01 level (2-tailed)

The above table 16 shows the inter-correlation between the factors of Product management. All the factors are correlated with each other moderately. The correlation is moderately strong between Product Promotion and Product pricing (r = 0.600) (p<0.01 level). The least correlation was found between Customer Service and Product Presentation (r = 0.395, p< 0.01).

Correlation between factors of Product Management and Customer Satisfaction		
	Customer Satisfaction	Sig.
Product Assortment	0.473**	0.000
Product Availability	0.372**	0.000
Product Presentation	0.405**	0.000
Product Pricing	0.395**	0.000
Product Promotion	0.577**	0.000
Customer Service	0.650**	0.000

Table 17: Table showing correlation between factors of Product Management and Customer Satisfaction

**Correlation is significant at the 0.01 level (2-tailed)

The above table 17 shows the correlation between Factors of Product management and Customer Satisfaction. All the factors have positive correlation with Customer Satisfaction at p-value < 0.01 level. Customer Service has an r = 0.650 significant at p = 0.01 level. This means that Customer Service has 65% relationship with Customer satisfaction. Similarly Product promotion has 57.7% relationship with

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Customer Satisfaction, followed by Product Assortment with 47.3% relationship, Product Presentation with 40.5% relationship, Product Pricing with 39.5% relationship, and Product Availability with 37.2% relationship with Customer Satisfaction.

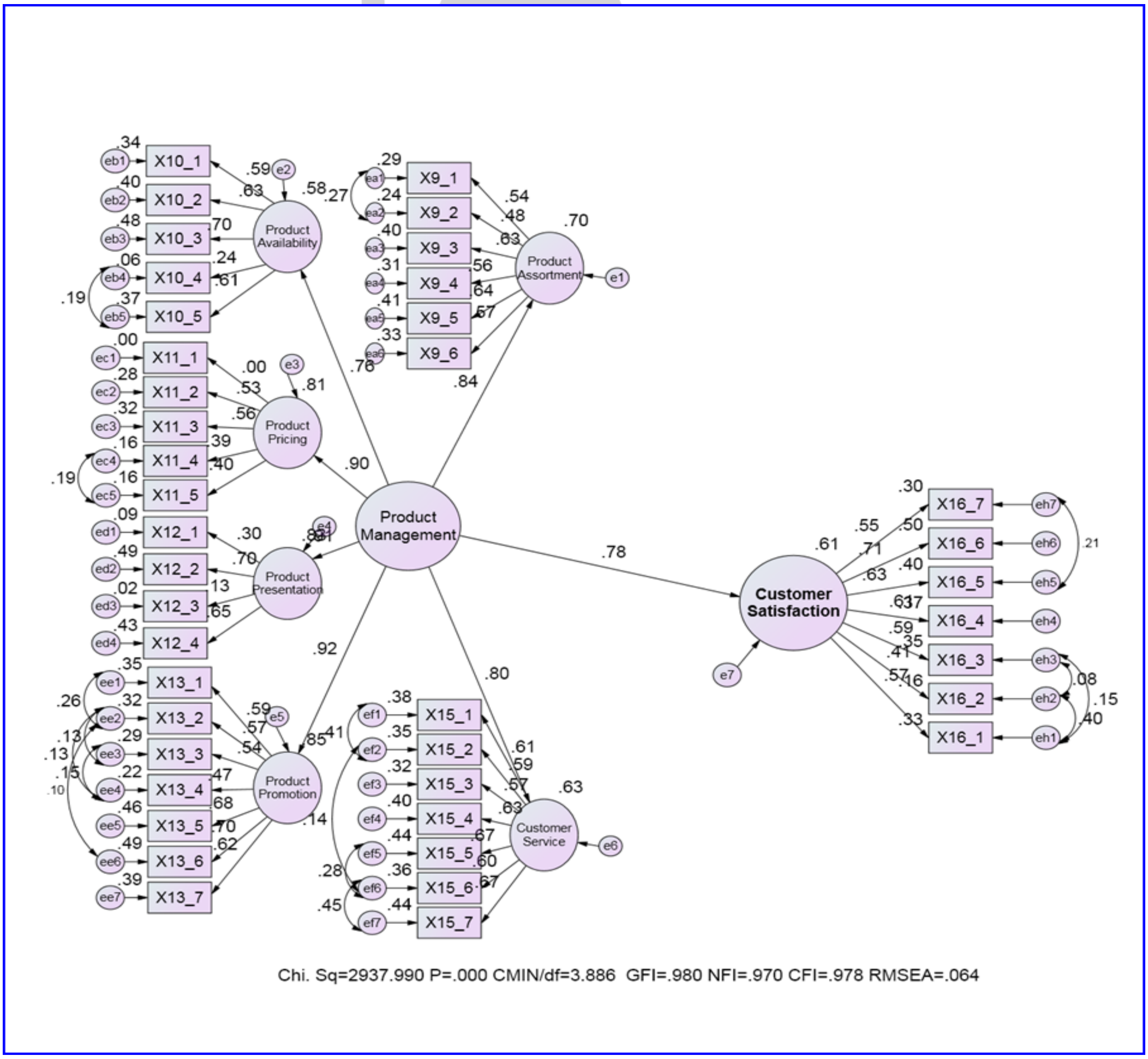
Factor Model for Product Management dimension

The factor models which are measurement models explaining the relationship between the two latent constructs mentioned above were finally arrived at in the confirmatory factor models. The goodness of fit indices for these two measurement models were adequate. In order to fit a second order factor model, which was to see whether the latent factors obtained in the individual measurement CFA models, were good representation of the respective dimension individually, then the second step was to test for the fitting of the second-order factor model considering the four hypothesized factors together. If these constructs were highly correlated in the first-order factor model, a second-order factor model would provide a more parsimonious and interpretable model. A second-order factor model allowed us to test whether the hypothesized higher order factor accounted for the relations among lower order factors and it further simplified the interpretations of complex structures of the first-order model. The second order factor model with the six factors of Product Management dimension with their respective indicator variables was proposed in the initial model. The hypothesis was stated as follows:

Ho: The Six Factors namely, Product Assortment, Product Availability, Product Pricing, Product Presentation, Product Promotion and Customer Service adequately explain Product Management dimension.

The following diagram shows the initially obtained second order factor model for the Product Management dimension

The diagram given below shows the direct relationship between Product Management and Customer Satisfaction. The path coefficients are standardized regression coefficients. The regression estimates produced by AMOS for unstandardised regression are given below. The model fit statistics show all the goodness of fit indices namely, GFI , NFI and CFI satisfy the



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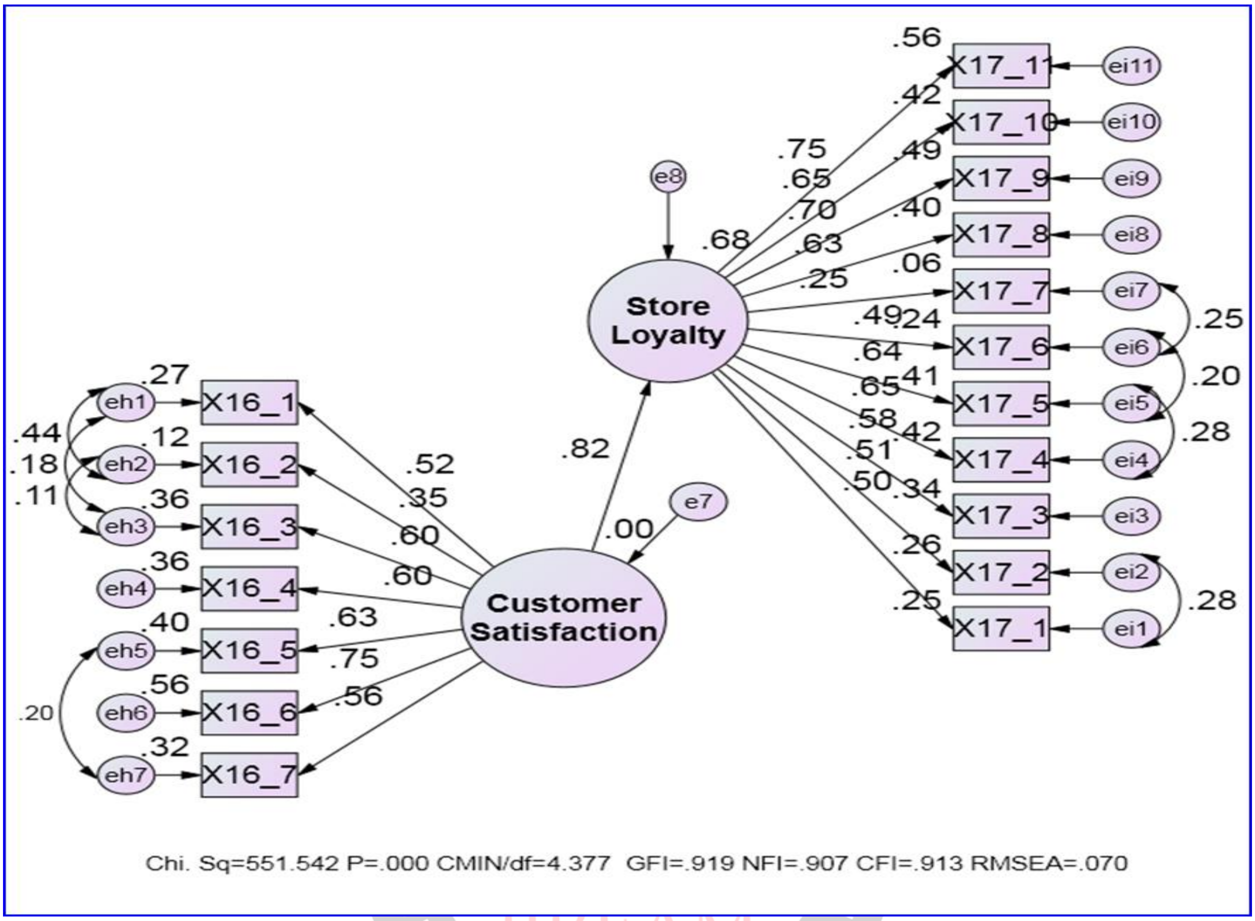
Structural Equation Modeling of Customer Satisfaction and Store Loyalty

The model shown above gives the standardized regression weights of the corresponding variables and also squared multiple correlations. The regression coefficient show that Customer Satisfaction have a positive relationship with Store Loyalty.

The magnitude and direction of relationship between Customer Satisfaction and Store Loyalty with the unstandardised regression weight is given below.



The model shown above gives the standardized regression weights of the corresponding variables and also squared multiple correlations. The regression coefficient show that Customer Satisfaction have a positive relationship with Store Loyalty

V. MAJOR FINDING

A full structural equation model was developed, to examine the effect of Product Management and Customer Satisfaction as independent variables and also Customer Satisfaction acting as mediating variables. It was seen that Product Management has a positive direct effect on Customer Satisfaction and Customer Satisfaction having direct positive effect on Store Loyalty. These effects were found to be significant. However, the direct effect of Product Management on Store Loyalty was not significant after the mediating variable, Customer Satisfaction was introduced, and this proved that Customer Satisfaction acted as a mediating variable between Product Management and Store Loyalty. It was also found that Product Management has more indirect effect on Store Loyalty than direct effect. The results further showed that the direct effect of Product Management on Customer Satisfaction is comparatively greater than the direct effect it had on Store Loyalty. The model showed that indirect effect of Product Management is higher on Store. Loyalty when compared to the direct effect it has on Store Loyalty. It was found that the total effect of Product Management on Customer Satisfaction is more when compared to Store Loyalty. The total effect of Product management on Store Loyalty is lesser than the direct effect of Customer Satisfaction on Store Loyalty.

VI. CONCLUSION

Store brands are widely acknowledged as effective tools for retailers to increase profit margins and gain bargaining power with respect to manufacturers. Another rationale for retailers to invest in store brands is that store brands aid to create a point of differentiation and store loyalty (Richardson et al. 1996; Corstjens and Lal 2000). In this study the relationship between category management and store loyalty with regards to food private label brands. By testing the store brand, and store loyalty relationship, a robust positive relationship between store brand and store

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loyalty using data from multiple retailers and multiple sources, and providing controls for a variety of potentially spurious correlations. In the second test it is marked that the Product pricing has the strongest relationship with store loyalty (89.2%) followed by Purchase intention (88.6%), Product presentation (87.1%), Customer service (87%), Product availability (86.3%) and Product promotion (80.2%). Product assortment has a weak relationship with store loyalty (46.6%). The results also sets emphasis on the Category management factors and store loyalty all the seven factors of Category management (Purchase intention, Product assortment, Product promotion, product presentation and layout, product availability, Customer service and Product pricing) had an impact on store loyalty. The correlation value of 0.884 indicates the strength of the relationship between Category management factors and store loyalty. The R2 value of 0.721 indicates that 72.1% of the changes in Store loyalty are due to all the factors of Category management. We also demonstrate empirically that with our conceptually the factors influencing the purchase of food private label category, attributes to enhance the acceptance of private label brands. Customers have liking towards food private label products and they have intension to buy when private label are placed along with national brands, but it is necessary that the retailer should consistently provide value to the customer on the factor they regard high. This could enable the retailer to enjoy the benefit of customer satisfaction and store loyalty.

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