



AN EMPIRICAL STUDY ON CUSTOMER AWARENESS, PREFERENCE AND SATISFACTION ON PRIVATE LABEL WITH SPECIAL REFERENCE TO 'RELIANCE SELECT' IN COIMBATORE CITY

T. M. Shankar

Head (Incharge) & Assistant Professor, Department of Management, Bharathiar
University, Post Graduate Extension Centre, Erode, Tamilnadu

Introduction:

"Market includes both place and region in which buyers and sellers are in free competition with one another"- G. F. Pyle.

"Economist understand by the term market, not any particular market place in which things are bought and sold, but the whole of any region in which the buyers and sellers are in such free intercourse with one another that the price of the same goods tends to equality easily and quickly"- A. Cournot.

The essence of Marketing is an exchange or a transaction, intended to satisfy the human needs or wants. Marketing is a human activity directed to satisfy the needs and wants, through an exchange process. A demand is want for which consumers are prepared to pay a price. A want is anything or a service the consumer desires or seeks. Wants become demands when backed by purchasing power. A need is anything the consumer feels to keep himself alive and healthy. The aim of marketing is to make sales in order to earn reasonable profit for the producer.

All the business people aim at satisfying the consumers and the customers by understanding their desires and necessities. This will lead to the success of the business. The business people must understand the customers' expectations and their attitudes which will help them to manufacture or prepare the products which will suit in the market.

In the process of selling, the consumer and customer behavior are given due consideration to overcome the competition in the market. In modern scenario all the businesses are consumer oriented. Hence every business man tries to understand the desires, needs and consumer behavior by which they can supply the right products and commodity which will make the consumer satisfied with the products and their utility.

Customer Satisfaction:

The satisfaction of a customer depends on many attributes which are very widely studied. The area of study is on the well known Reliance Select Private Label which has made its name in every nook and corner of the country and beyond. The mindset of Indian Customer is quite different when compared with Global customer and the preference varies accordingly. A satisfied customer is the first step towards a loyal customer when the price of the product or service has been the true driver of customer satisfaction so far. Now with the development of information technology and the changing tastes of the Indian customer, the satisfaction criterion tends to change. The life of the product decides the satisfaction level of the customer. But with the western thoughts of the modern customers these points need to be said with some care before committing any statements.

The Reliance Brand:

The Reliance Brand is a well known brand and the awareness has already been created in almost all the products and services that they have been ventured into. Yet, there are certain products that need more emphasis as these may be new even to the

most aware customer as far as Indian mindset is concerned. The preference for the Reliance brand is also quite large for various reasons. The top most reason being the price that drives every Indian consumer to be a loyal consumer.

Need For the Study:

The study is aimed at understanding the customer awareness, their preference and satisfaction on private label with special reference to Reliance Select in Coimbatore City. The location of the study is very important in this case as Coimbatore is a hub of many businesses and is developing into a city which welcomes foreign investment on the basis of the customer base. The Coimbatore population is quite receptive to new products and services and the lifestyle is quite modern and forward looking as far as the city is concerned. The Coimbatore city offers a very different landscape as far as any industry is concerned. The educational level is quite high and so the awareness level of a customer is high from that particular geographical area. The city is rapidly becoming a cosmopolitan. Hence the choice of the location quite fits to the design of the study.

Statement of the Problem:

The chosen problem is to understand the customer awareness, preference, and satisfaction on private label with special reference to Reliance Select in Coimbatore city. The current market for any product or service is very volatile as the changing customer landscape offers new entrants a chance. The knowledge base of the customer is higher than the previous decades. Reliance is a brand which has already created its name and awareness for its products. Further it should create more emphasis on other reliance products to make it more effective and supportive for the extension of its brand. The study is concerned on the awareness of the wide variety of products offered by Reliance Select, customers preference on their wide variety of goods and their satisfaction by using Products of Reliance Select.

Scope of the Study:

The study gives insights into the customer awareness, preferences and satisfaction level of Reliance Select and it will have scope for further research in the study area. The study model can be adopted for other industries in order to learn the preferences and satisfaction level of the concern brand.

Objectives of the Study:

The study is to understand the following objectives:

- ✓ To study the conceptual framework of labeling of Reliance Select.
- ✓ To analyze the customer awareness and preference of Reliance Select.
- ✓ To ascertain the factors influencing to select Reliance Select products.
- ✓ To measure the level of satisfaction perceived by the customers of Reliance Select.
- ✓ To suggest better strategies to enhance the sales of Reliance Select.

Research Design:

The study is undertaken with the objective of knowing the awareness, preference and satisfaction on Reliance Select. According to the objectives, the design of the study has been planned. In order to fit the objectives and the execution of the details, the study is chosen to be the descriptive study type. Here, the various details are given as follows:

Geographical Area: Coimbatore city is chosen to be the geographical area of the study.

Sampling Units: The customers of Reliance Select are chosen as the sampling unit of the study.

Sample Size: As the population in the study is numerous, out of the total population 300 respondents are selected at random by using convenient sampling method. The sample respondents consist of both male and female.

Sampling Technique: Convenient sampling method is chosen for the study.

Duration of the Study: The study period is from September 2012 to September 2015.

Data Collection: Data collection involves both primary and secondary data.

Primary Data: Primary data is collected from the respondents who are customers of Reliance Select products in Coimbatore city.

Secondary Data: Secondary data is collected from books, periodicals, journals, newspapers and internet.

Tools of Data Collection: The questionnaire is chosen as the tool for data collection. The questionnaire is prepared with the help of the guide, after brainstorming with peer group, experts in the field and materials collected from many resources. The questionnaire is edited so as to keep the most relevant and necessary questions.

Pilot Study: A pilot study was carried out prior to the main survey with a sample of 30 respondents to check the reliability of the questionnaire.

Data Analysis:

The analysis of the data is carried out with the help of SPSS statistical package and the tools chosen are as follows:

- ✓ Simple percentage analysis
- ✓ Chi square test
- ✓ Factor analysis
- ✓ ANOVA
- ✓ Garrett ranking test

Limitations of the Study:

The study suffers from the following limitations as given below:

- ✓ The study covers only Coimbatore city. Hence the findings of the study are entirely applicable to this city only.
- ✓ The responses given by some of the respondents may vary due to personal preferences and ideologies.
- ✓ The response of the customer may vary from time to time.
- ✓ The study is focused towards Reliance Select and the results and interpretations cannot be extrapolated to other industries.

Review of Literature:

Kuruville and Joshi (2010)¹ study the profile of Indian mall consumers, identify characteristics differentiating the high rupee volume purchasers at the mall and then go on to evolve a model that can help predict heavy rupee volume purchasers in a catchment. The study, spanning eight cities of India and 3026 mall consumers, indicates that the heavy shoppers are significantly different from the other groups along multiple demographic and socioeconomic variables, behavioral variables, attitude and shopping orientation. The analysis of the profile of mall visitors indicates that a majority of the consumers are in the age group of 25-45, highly educated, double income families belonging to middle and upper income groups. The high rupee volume purchasers comprise more men, larger families, higher incomes, higher qualifications, more professionals and businessmen. These heavy shoppers visit the malls with their family

Kuruville, S.J., and Joshi, N. (2010). Influence of demographics, psychographics, shopping orientation, mall shopping attitude and purchase patterns on mall patronage in India. *Journal of Retailing and Consumer Services*, 17(4), 259-269

and spend on all categories of items more than the other two groups showing significant differences in the mall related behavior. The heavy shoppers have more active lifestyle, value, fun and security

Ali et al. (2010)² analyze the consumers buying behavior with respect to food and grocery items. The purpose of the study is to develop a marketing strategy for a modern food/grocery market based on consumer preferences and behavior. The author is of the view that the consumers are in a relatively advantageous position in terms of purchasing power and awareness of health and nutrition. Higher income and educational levels of consumers influence their decisions on product and market attributes, while gender and age seem to have no significant impact. The preferences of the consumers clearly indicate their priority for cleanliness/freshness of food products followed by price, quality, variety, packaging, and non-seasonal availability. The consumers' preference of market/place largely depends on the convenience in purchasing at the market/place along with the availability of additional services, attraction for children, basic amenities and affordability. The limitation of the study is that it analyses the buying behavior of the consumers with respect to food and grocery items only.

The study by Dalwadi et al. (2010)³ emphasizes that the product range, store layout, shopping convenience, promotional schemes, product pricing, customer service, employee behavior, and store ambience significantly influence the customers. The study also provides crucial insights to people in organized retail business by identifying important variables like courteous Staff members, customer attention, offers and discounts, comfort and elegance, proximity, variety, speedy service and assurance. These are the variables which must be kept in mind while designing the retail operations. The study further reveals that a majority (nearly 70%) of the respondents opine for opening new (modern) organized retail stores. Hence, it can be said that there is an optimistic future for organized retailers. Moreover, it was also found that most (approximately 80%) of the young respondents (18-34 yrs) are in favor of organized retail stores. Therefore, forming the 'Young Shoppers' Club' is a good business strategy and the members can be offered special offers, discounts, organizing contests etc. Such a strategy would help in attracting the young shoppers to visit the retail store.

Shopping value is a two-dimensional concept that captures the hedonic and utilitarian benefits derived from a consumer visit to a retail store. The study by Jackson et al. (2011)⁴ extends the concept to the context of a shopping mall and provides a measure of the benefits derived from experiencing a set of mall attributes. The study investigates the extent to which attitudes toward mall attributes and shopping value derived from a mall visit differ across gender and generational cohorts. Analysis of results show that there are no differences in hedonic and utilitarian shopping values by generational cohort, but generational differences in attitude toward mall hygiene factors, location convenience and entertainment features did exist. Results also show

Ali, J., Kapoor, S., and Moorthy, J. (2010). Buying behaviour of consumers for food products in an emerging economy. *British Food Journal*, 112(2), 109-124.

Dalwadi, R., Rathod, H.S., and Patel, A. (2010). Key Retail Store Attributes Determining Consumers' Perceptions: An Empirical Study of Consumers of Retail Stores Located in Ahmadabad (Gujarat). *SIES Journal of Management*, 7(1), 20-34.

Jackson, V., Stoel, S., and Brantley, A. (2011). Mall attributes and shopping value: Differences by gender and generational cohort. *Journal of Retailing and Consumer Services*, 18 (5), 1-9.

that in comparison to males, females derive greater levels of hedonic shopping value from a trip to the mall and also show more positive attitudes toward mall hygiene factors and entertainment options.

Table 1: Table Showing the Gender of the Respondents

Serial No	Gender	Frequency	Percentage
1	Male	180	60.0
2	Female	120	40.0
	Total	300	100.0

Source: Primary data

Interpretation:

The above table reveals that among 300 respondents 60% of the respondents are male while the remaining 40% of the respondents are female

Table 2: Table Showing the Age of the Respondents

Serial No	Age	Frequency	Percentage
1	Below 20 years	36	12
2	21-30 years	96	32
3	31-40 years	96	32
4	Above 40 years	72	24
	Total	300	100.0

Source: Primary data

Interpretation:

From the above table it is clearly known that among 300 respondents, 32% of the respondents belong to the age group of 21-30 years and 31-40 years respectively, 24% of the respondents belong to the age group of above 40 years while the remaining 12% of the respondents are below 20 years.

Table 3: Table Showing the Marital Status of the Respondents

Serial No	Marital Status	Frequency	Percentage
1	Single	88	29.3
2	Married	212	70.7
	Total	300	100.0

Source: Primary data

Interpretation:

The above table depicts that among 300 respondents 70.7% of the respondents are married while the remaining 29.3% of the respondents are unmarried

Table 4: Table Showing the Educational Qualification of the Respondents

Serial No	Educational Qualification	Frequency	Percentage
1	SSLC	34	11.3
2	HSC	60	20
3	Diploma	84	28.0
4	Graduate	53	17.7
5	Post graduate	52	17.3
6	No Formal Education	17	5.7
	Total	300	100.0

Source: Primary data

Interpretation:

From the above table it is evident that, among 300 respondents 28% of the respondents have studied diploma courses, 20% of the respondents have studied HSC, 17.7% of the respondents are Graduate, 17.3% of the respondents are post graduates, 11.3% of the respondents have studied up to SSLC while the remaining 5.7% of the respondents have no formal education.

Table 5: Table Showing the Type of Employment of the Respondents

Serial No	Employment	Frequency	Percentage
1	Self employed	36	12.0
2	Government	54	18.0
3	Private	60	20.0
4	Business	54	18.0
5	Home maker	48	16.0
6	labor	48	16.0
	Total	300	100.0

Source: Primary data

Interpretation:

The above table reveals that among 300 respondents 20% of the respondents are working in private sector, 18% of the respondents involved in business activities and working in government respectively while 16% of the respondents are home maker and labor respectively while 12% of the respondents are self employed.

Table 6: Table Showing the Income Level of the Respondents

Serial No	Income	Frequency	Percentage
1	Below Rs.10000	92	30.7
2	Rs.10001-15000	136	45.3
3	Rs.15001-30000	28	9.3
4	Above Rs.30000	44	14.7
	Total	300	100.0

Source: Primary data

Interpretation:

The above table depicts that among 300 respondents, 45.3% of the respondents get a monthly income between Rs.10001- Rs.15000, 30.7% of the respondents earn below Rs.10000 per month, 14.7% of the respondents earn Above Rs. 30000 per month, while the remaining 9.3% of the respondents get a monthly income between Rs. 15000 – Rs. 30000.

Table 7: Table Showing the Respondents Opinion towards the Product Line of Reliance Select

Serial No	Satisfaction	Frequency	Percentage
1	Satisfied	182	60.7
2	Not satisfied	85	28.3
3	Cannot say	33	11.0
	Total	300	100.0

Source: Primary data

Interpretation:

The above table clearly reveals that among 300 respondents, 60.7% of the respondents are satisfied with the Product Line of Reliance Select, 28.3% of the respondents are not satisfied with the Product Line of Reliance Select, while the remaining 11% of the respondents cannot say their satisfaction level regarding the Product Line of Reliance Select

Table 8: Table Showing the Respondents Preference on Awareness Activity towards Reliance Select

Serial No	Awareness Activity	Frequency	Percentage
1	Issuing Pamphlets	35	11.7
2	Newsletters	40	13.3
3	Short Messaging Service	124	41.3
4	Internet / Email	54	18
5	Newspaper/Magazine/Radio	47	15.7
	Total	300	100.0

Source: Primary data

Interpretation:

The above table reveals that among 300 respondents, 41.3% of the respondents Prefer Short Messaging Service as the awareness activity, 18% of the respondents prefer Internet / Email as the awareness activity, 15.7% of the respondents Prefer Newspaper/Magazine/Radio as the awareness activity, while the 13.3% of the respondents Prefer Newsletter as the awareness activity and the remaining 11.7% of the respondents prefer Issuing Pamphlets as the awareness activity.

Table 9: Table Showing the Rating on Preference Factor "Quality" Given By the Respondents

Serial No	Ratings	Frequency	Percentage
1	High	111	37.0
2	Moderate	151	50.3
3	Low	38	12.7
	Total	300	100.0

Source: Primary data

Interpretation:

A survey is undertaken to know the ratings towards the preference factor "Quality" given by the respondents of Reliance Select. From the above table it is known that among 300 respondents, 50.3% of the respondents give moderate ratings to the quality of Reliance Select, 37% of the respondents give high ratings to the quality of Reliance Select while the remaining 12.7% of the respondents give low ratings to the quality of Reliance Select.

Table 10: Table Showing the Application of Henry Garrett Ranking Method on the Ranks Obtained On Functional Attributes from the Respondents of Reliance Select

Serial No	Functional Attributes	Ranks (Scores)					Total Score Point	Average	Rank
		5	4	3	2	1			
1	Efficiency	1690	2700	550	1120	1260	7320	24.40	V
2	Convenience	940	1770	2000	3850	4680	13240	44.13	III

3	Reliability	580	1740	2300	3220	8280	16120	53.73	II
4	Consistency	920	2700	3650	1890	1620	10780	35.93	IV
5	Availability	280	1740	4400	5250	4590	16260	54.20	I

It is observed from the above table that, the functional attributes of Reliance Select are ranked by using Hendry Garrett Ranking method. It is revealed from the above table that among the Functional Attributes, "Availability" was ranked first with Garrett score of 16260 points and a mean score of 54.20. It is followed by the problem "Reliability" ranked as second with Garrett score of 16120 and a mean score of 53.73. The third rank was placed for "Convenience" with Garrett scoring of 13240 and a mean score of 44.13. The issue "Consistency" was ranked as four with a Garrett score of 10780 and a mean score of 35.93. The fifth rank was given to the issue "Efficiency" with a Garrett score of 7320 and mean score of 24.40.

Findings:

This chapter deals with the findings made in the research work by applying the necessary statistical tools as and when required. The following findings are put forth below.

- ✓ Majority (60%) of the respondents are male.
- ✓ Major portions (32%) of the respondents belong to the age group of 21-30 years and 31-40 years respectively.
- ✓ Majority (70.7%) of the respondents are married.
- ✓ Considerable portions (28%) of the respondents have studied diploma courses.
- ✓ Considerable portions (20%) of the respondents are working in private sector.
- ✓ Majority (45.3%) of the respondents get a monthly income between Rs.10,001-Rs.15,000.
- ✓ Majority (57.7 %) of the respondents are living in urban area.
- ✓ Majority (64 %) of the respondents are from nuclear family.
- ✓ Most (54.7%) of the respondents are familiar with the Reliance Select.
- ✓ Considerable volumes (37.7%) of the respondents have come to know about the Reliance Select by visiting Reliance store.
- ✓ Most (75%) of the respondents are recommending Reliance Select to others.
- ✓ Most (60.7%) of the respondents are satisfied with the Product line of Reliance Select.
- ✓ Majority (41.3%) of the respondents prefer Short Message Service for awareness activity towards Reliance Select.
- ✓ Majority (41.7%) of the respondents prefer Reliance Select Sometimes.
- ✓ Majority (51.7 %) of the respondents prefer Reliance Select due to non - availability of public label.
- ✓ Considerable portion (46.7 %) of the respondents has given Low rating to the Brand Name of Reliance Select.
- ✓ Majority (50.3 %) of the respondents have given Moderate rating to the Quality of Reliance Select.
- ✓ Majority (53.3 %) of the respondents have given High rating to the Price of Reliance Select.
- ✓ Majority (66.7%) of the respondents have given High rating to the Package of Reliance Select.
- ✓ Majority (51.7%) of the respondents have given Moderate ratings to the Offers of Reliance Select.

Findings from Chi-Square Test:

- ✓ There is a significant relationship between the gender of the respondents and the reason for preferring Reliance Select.
- ✓ There is a significant relationship between the income of the respondents and the frequency of preference towards Reliance Select.
- ✓ There is no significant relationship between Educational Qualification and their satisfaction towards the Product Line of Reliance Select.
- ✓ There is no significant relationship between Educational Qualification of the respondents and Source of knowing Reliance Select.
- ✓ Some of the respondents felt that they are not familiar with reliance select. In this case, the awareness should be created among the customers of Reliance Select about the existence of various products and their usage. Here I would suggest that various channels of advertisement have to be carried out to compete with public label.

Suggestions:

- ✓ Some of the respondents informed that during the regular purchase / during procurement of monthly grocery they are asked to pay for Carry Bags used for transit and felt they can be avoided. My suggestion is that, in recent days where all Private labeled Competitors are providing Carry bags free cost Reliance Select has to take due care in providing Carry Bags free of cost to withstand the competitive Market.
- ✓ Some of the respondents felt that there is a delay in Claiming Freebies associated with the products purchased and at times they are left without claiming for it. This lacuna is due to lack of personnel to handle a long queue as well as it is given less importance. So I would recommend that the freebies associated with the products purchased should be checked while billing or else it can be bundled with the product so that the customer need not wait in a queue.

Conclusion:

In this research work, the researcher identified some of the factors and features which play a vital role in brand positioning of Reliance Select. Though most of the customers are satisfied with the utility of the products of Reliance Select, the purchase level of the products of Reliance Select are comparatively low when compared with the other Private Label products available in the market. At this juncture, Reliance Select has to take certain remedial measures to improve the sales volume whereby the customers will get the Products of Reliance Select as and when required.

In order to improve sales volume, Reliance Select has to introduce some interesting business strategy to attract customers and overcome existing competition in the market. In the modern scenario all businesses are diverted to the desire and satisfaction of the customer. Hence the Reliance Select should approach its customers to find their expectations, preferences and buying behavior towards Reliance Select. This will help Reliance Select to segment the market based on the demand and supply them with customized products. Such segmentation will give birth to peculiar yet interesting and attractive brand promotion activity with variety in product features and customized pricing strategy of Reliance Select. The Mission statement of Reliance states that it has to delight customers every visit and to grow through value creation, which will bring their vision of inclusive growth to existence.

References:

1. Fernie, J. (1995), The coming of the fourth wave: new forms of retail out-of-town development. *International Journal of Retail & Distribution Management*, 23(1), 4- 11.
2. Swinyard, W.R. (1997), Retailing trends in the USA: competition, consumers, technology and the economy. *International Journal of Retail & Distribution Management*, 25(8), 244-255.
3. Barak, B. (1998), Cognitive age: a new multidimensional approach to measuring age identity. *International Journal of Aging and Human Development*, 25(2), 109-127.
4. Robinson, T. (1998), The role of retailing in a Russian Consumer Society. *European Business Review*, 98(5), 276-281.
5. 28 Guy, C.M. (1998), Classifications of retail stores and shopping centres: Some methodological issues. *Geo Journal*, 45, 255-264.
6. Erdem, O., Oumlil, A.B., and Tuncalp, S. (1999), Consumer values and the importance of store attribute. *International Journal of Retail & Distribution Management*, 27(4), 137-144.
7. Brennan, D.P., and Lundsten, L. (2000), Impacts of Large Discount Stores on Small US Towns: Reasons for Shopping and Retailer Strategies. *International Journal of Retail & Distribution Management*, 28(45), 155-161.
8. Reichheld, F., and Schefter, P. (2000), E-loyalty. *Harvard Business Review*, 78 (4), 105- 113.