Consumer Perception and Satisfaction on Private Labelling: FMCG Products

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Abstract

This study examines consumer perception and satisfaction with private-label Fast-Moving Consumer Goods (FMCG) products, focusing on a developing market like India. It examines how socio-demographic factors like income, education, and age influence purchasing decisions and the barriers of trust and perceived quality. The research ensures representation across diverse groups by using stratified sampling, combining web-based and in-person surveys with qualitative methods such as focus groups and interviews. A conclusion, gaps were found between national brands and private-label ones pertaining to quality, variety, brand loyalty, and future private-label growth opportunities regarding marketing innovation, pricing, and higher customer experience. By understanding the Indian market environment in depth, this article gives insights into actionable propositions by which retailers can be led toward optimizing their private labels for better market penetrations in India.

Keywords: Consumer perception, Fast-moving consumer goods, socio-demographic factors, customer experience, private-label.

Introduction

Private labelling, a strategic approach in retailing, involves retailers offering products under their own brands rather than relying solely on national or established brands. In the FMCG sector, private label products have proven to be a significant phenomenon that has transformed the manner in which consumers purchase goods, as well as the market configuration. Typically, they have positioned themselves as affordable alternatives to branded goods. Consequently, they formed an integral part of many retailers' competitive strategies not only in creating brand loyalty but in also expanding margins (Nielsen, 2022).

The increasing acceptance of private label FMCG products can be attributed to evolving consumer preferences, economic factors, and advancements in product quality and packaging. Studies indicate that consumer perceptions of private labels are influenced by several factors, including price sensitivity, perceived quality, and trust in the retailer (Kumar & Steenkamp, 2007). As private labels diversify beyond basic commodities into premium segments, their appeal is no longer confined to budget-conscious consumers but also includes those seeking quality and exclusivity (IGD, 2023).

Understanding consumer perception and satisfaction concerning private label FMCG products is critical for retailers and marketers. Positive perceptions and high satisfaction levels can lead to repeated purchases and long-term loyalty. However, these outcomes hinge on addressing challenges such as perceived quality gaps and the stigma of private labels being inferior to national brands (Diallo, 2012).

This research seeks to explore the factors influencing consumer perception and satisfaction with private label FMCG products. By examining variables such as product quality, price sensitivity, and trust in the retailer, this study aims to provide insights that can aid retailers in formulating strategies to enhance their private label offerings and compete effectively in the FMCG market.

Objectives

i). To identify gaps in primary data on how consumer perceptions of private-label FMCG products differ across various socio-demographic groups.

ii). To examine if primary data exists on issues related to market access for private-label brands in new developing markets such as India.

iii). To assess the scarcity of expansive primary data to measure consumer satisfaction with private-label FMCGs as against national brands.

iv). To identify some gaps in primary data about how the marketing mix (product, price, place, promotion) influences consumer decisions related to private-label FMCG products.

v). To analyse missing primary data that correlates retailer strategies to the development of long-term brand loyalty among private-label consumers.

Importance of the Study

The research is important, as it helps bridge these gaps of knowledge related to understanding consumer behavior,

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market dynamics, and strategic approaches in the private-label FMCG segment. An understanding of consumer perceptions about products across various socio-demographic groups may provide some value to identify specific segment-specific preferences for retailers, thereby assisting in devising target strategies. It also looks into market access challenges for private-label brands in emerging economies like India, throwing light on barriers and opportunities in these rapidly growing markets. In addition, by comparing consumer satisfaction with private-label FMCG products to national brands, the study offers insights into competitive positioning and helps refine product offerings. Analysing gaps in how the marketing mix influences consumer decisions underscores the need to optimize strategies on product, price, place, and promotion to improve brand appeal. Finally, the study examines how retailer strategies contribute to long-term brand loyalty, providing recommendations for fostering sustained consumer engagement and strengthening retailer-customer relationships. Collectively, these insights bridge critical knowledge gaps, support data-driven decision-making, and enhance the competitiveness of private-label FMCG products worldwide.

Statement of the Problem

Private label brands continue to be more prominent globally than in India, where their market penetration remains at a minuscule level, around 6% in comparison to as high as 40% market share in mature markets like the U.S. and Europe. Value-driven consumer behaviour, affordability, and growth of organized retail have all put Indian retailers like Reliance and Aditya Birla on an investment spree in PLBs. However, brand loyalty is not easy to come by, nor is the competition from big national brands going to get any easier anytime soon. Also, perceptions regarding PLB in India are erratic, driven by product features, demographics, and promotional push. Therefore, Indian satisfaction and loyalty drivers need greater analysis into FMCG-specific categories.

Literature Reviews

1. **Dr. R Satish kumar, Dr. K. Balanaga Gurunathan, Venkatkistareddy Gaveni, AUGUST 2015 (issue 2):** The literature review in the paper highlights that private label brands (PLBs), defined as retailer-owned brands, have grown globally, especially in mature markets like the U.S. and Europe, where they make up to 40% of some retailers' sales. In India, however, PLBs are still emerging, with only a 6% market share. Indian retailers like Reliance and Aditya Birla are investing heavily in PLBs, capitalizing on factors like value-driven consumer preferences and the expansion of organized retail. Studies, such as by A.C. Nielsen (2005), show Indian consumers appreciate PLBs for their affordability. Key benefits for retailers include higher margins and improved brand control, though challenges remain in building brand loyalty and competing with established national brands.

2. **Devon Delvecchio, September 2001 (vol 8, issue 5):** Devon DelVecchio's article, "Understanding Consumer Views on Private Label Quality" investigates which factors affect consumer perceptions about the quality of private-label (store brand) products. It discovers that simpler categories with fewer product-quality variance favor better private-label perceptions and does not find support for private labels in more complex categories with higher-quality variance. Consumer characteristics also come into play; for example, individuals who perceive brands as symbolic may prefer private labels in private product categories but want national brands for public products. Furthermore, private labels are viewed more favorably in higher-cost categories in which they provide greater savings. The research indicates that private labels can be successful by tactically positioning themselves in appropriate categories based on these findings.

3. **Dwarakanath Siriguppi, February 21, 2022 (vol 9, no.3):** The literature review investigates factors shaping consumer perceptions in India's fast-moving consumer goods (FMCG) sector. This study explores how demographics, brand loyalty, and product attributes such as packaging, labeling, and price influence purchasing decisions. Using a survey of 1,150 consumers in Hyderabad, the paper reveals that perceptions of FMCG products vary by income, education, and gender. Findings suggest that promotional activities, particularly discounts and advertising, significantly impact brand awareness and choice. The study highlights the importance of understanding consumer preferences for developing effective marketing strategies in the FMCG sector.

4. **Niloufar Shahlaei Namini, October 2016:** Literature has proven that the core elements lead to the quality of the product, the effectiveness of distribution, after-sales services, and effectiveness of sales and communication-related strategies that are related to satisfying customers and gaining their loyalty. These are components of the 4P model in marketing, which include product, price, place, and promotion. In general, loyalty of FMCGs is connected to perceived value and quality of the product and to the whole customer experience.

In addition, literature discusses the specific challenges of FMCG industry in Iran in which a number of cultural preferences are influencing customer expectations and satisfaction levels. The current study is an extension of other scholars' work, such as Kotler and Armstrong, who assert that product quality and accessibility are very crucial to customer satisfaction. It also refers to the models by Anderson *et al*. and Clottey *et al*., which directly connect satisfaction to loyalty and profitability, while the work of Rust and Zahorik emphasizes customer retention as a tool for maintaining market share. The literature review, therefore, supports the argument for a customized approach to customer satisfaction in FMCGs, since general criteria often fail to capture cultural nuances that are necessary for successful customer loyalty strategies. Besides, the literature addresses specific challenges of the FMCG industry in Iran, wherein varied cultural preferences affect expectations and satisfaction levels of customers. The study bases its frameworks on those already developed by Kotler and Armstrong, who postulate that the quality and accessibility of products play a pivotal role in customer satisfaction. It also cites models from Anderson *et al*. and Clottey *et al*., that connect satisfaction directly to loyalty and profitability, while Rust and Zahorik stress customer retention as the key to preserving market share. The review of literature supports the customized approach for customer satisfaction in FMCGs because general criteria rarely pick up the cultural nuances which are very important for effective strategies in customer loyalty.

5. **Jemson Vaz1*, Sangam Jadhav 2, January 2024 (Vol.**

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1 (1): The literature review looks into established models, such as the Technology Acceptance Model (TAM), Theory of Planned Behavior (TPB), and Unified Theory of Acceptance and Use of Technology (UTAUT), to understand factors influencing the adoption of electric vehicles among Nigerian civil servants. Perceived ease of use, compatibility with lifestyle, perceived usefulness, and social norms are some of the factors identified as having a strong influence on attitudes toward EV adoption. Social norms are also a strong mediator because they influence how people see and embrace new technologies in their society. The review focuses on environmental and economic reasons why there is a need to embrace EVs despite the existence of infrastructure-related problems and initial cost burdens. This background serves as a basis for the study's hypothesis that social norms can fill the knowledge gaps and lead to positive attitudes in promoting the adoption of EVs by civil servants in Nigeria.

6. **Vitally Cherenkov1, Marina Sheresheva2, Sergey Starov3, Igor Gladkikh4, Alexander Tanichev5, Svetlana Berezka6, Igor Savelev7, Anastasia Yussuf 8, 30 September 2020 (Volume 8 Number 1):** The paper "Sustainability Trends and Consumer Perceived Risks towards Private Labels" explores the difference in consumer risk perceptions between private labels and manufacturer brands in Russian metropolitan markets, especially within FMCG sectors. The study proposes the RFID model that focuses on familiarity with PPLs, retailer brand image, and consumer dependence on extrinsic product attributes to explain differences in perceived risk between PPLs and PMBs. The study discovers the fact that consumers generally regard PPLs as carrying more risk, which, however negatively affects their purchasing habits. Retailers should better improve the competitiveness of PPLs by introducing sustainability programs along with the global movement to sustainable branding. This strategy will make consumers feel safe about the brand and might appreciate it more. Future research is encouraged to explore the role of "green" branding as a means through which perceived risks are reduced eventually leading to retailer success in the extremely competitive FMCG landscape.

7. **Ronald E. Goldsmith, Leisa R. Flynn, Elizabeth Goldsmith, E. Craig Stacey, 16 April 2010 (Volume34, Issue3):** The study by Goldsmith *et al*. titled "Consumer Attitudes and Loyalty towards Private Brands" examines the drivers of consumer loyalty and attitudes toward private brands in the US market. The authors rely on survey data to analyze the differences between buyers of private labels and national brands in categories like orange juice, cereal, and bottled water. The research study reveals that private label consumers prioritize cost savings and perceive private brands as equivalent to national brands, whereas national brand consumers value brand familiarity, quality assurance, and lifestyle fit. The authors argue that highlighting the quality and lifestyle compatibility of private labels can enhance loyalty and attract new customers. The findings have implications for budget-conscious consumers: private brands are an effective strategy if retailers emphasize quality and align private brands with the values of consumers.

8. **Katrijn Gielens [a][1], Yu Ma [b][1], Aidin Namin [c][1], Raj Sethuraman [d][1], Ronn J. Smith [e][1], Robert C. Bachtel [f][1],** **Suzanne Jervis [g][1], March 2021 (vol 97, issue 1):** The literature review delves into the evolution of private label brands (PLs) and introduces a forward-looking approach that uses data and technology to meet the evolving expectations of consumers. For years, private labels have evolved from simple, low-cost alternatives to multi-tiered brands that serve various market segments. The smart PL strategy calls for adapting PLs beyond traditional price and quality dimensions to address sustainability, personalization, and digital integration in line with the growing consumer preference for ethical and tech-savvy products. Through the use of advanced data analytics, AI, and targeted digital marketing, retailers will be better positioned to understand and serve diverse consumer needs. The paper proposes that a smart PL strategy can increase store loyalty, differentiation, and profitability, setting a roadmap for the future of private labels amidst evolving consumer values and retail competition.

9. **Mónica Gómez-Suárez, María Pilar Martínez-Ruiz (2016):** The paper "Private Label Sales through Catalogs with Augmented Reality" investigates augmented reality (AR) usage within private-label product catalogs, with the aim of helping organizations improve consumer engagement as well as sales. AR has the potential to transform the classical approach of catalogs, because consumers can visualize products in real 3D format from their mobile applications. This approach not only puts more focus on private-label offerings but also improves consumer's view of product quality and worth in terms of value that results from the bridging gap of digital and physical shopping experience. The paper says, using AR in the catalogue may create a closer bond for customers with private-label brands in which retailers can get ahead with their competitors.

10. **Maryam Bt Mohd Esa1, Rohailin Bt Zainon2, Nurulhayah Bt Muhamad3 Mohd Farhan Bin Abd Rahman, 2017 (Volume 2 No. 1):** The literature review in this paper is aimed at analyzing customer preferences towards private brands, considering factors that motivate consumers towards these brands despite the fact that quality issues may arise. These key areas include the marketing mix, store loyalty, and attitudes towards private brands, all of which are very essential in determining customer preferences. The review points out the role of the marketing mix (product, price, promotion, place) in influencing consumer decisions and increasing store profits by tailoring offerings to meet customer needs. Store loyalty, driven by brand perception and service quality, is also a strong determinant of customer preference. Loyalty programs contribute by encouraging consistent shopping habits. The paper observes that attitudes toward private brands, often driven by a consumer's need for affordability, make customers prefer private brands. These factors help private brands attract customers and increase loyalty. The review provides insights into strategies that could strengthen customer-brand relationships within the private brand sector.

Research Methodology

The methodology for the study on Consumer Perception and Satisfaction on Private Labelling: FMCG Products is set to understand how socio-demographic factors influence consumer behavior, satisfaction, and trust in private-label brands. Below is a detailed explanation:

i). Data Collection

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a) Primary Data
Surveys: Standardized questionnaires that are addressed to various socio-demographic segments.
Focus Groups: To get a deeper understanding of consumer preferences and barriers.
In-Depth Interviews: With retailers and experts in the supply chain to understand strategies and challenges.

b) Secondary Data
Literature review from academic journals, reports, and previous researches on private labels and FMCG sectors.
Market reports that highlight trends, consumer behavior, and performance of private labels.

ii). Questionnaire:
Structured 16 question with categorizations that include demographics, shopping behavior, perception, satisfaction, and loyalty attributes
Application of Likert scale and multiple-choice questions in open-ended responses
Statistical Tools: These instruments were applied to analyze survey response and trends.
Thematic Analysis: Applied to qualitative data from focus groups and interviews.

iii). Key Variables
Variables
Independent Variables: Income, education, age, cultural norms, and marketing mix elements (price, product, place, promotion).
Dependent Variables: Consumer perception, satisfaction, trust, and loyalty toward private-label FMCG products.

iv). Ethical Considerations
Informed consent from respondents.
Anonymity and confidentiality of responses.
Adherence to ethical standards in the conduct of surveys and interviews.

Research Gap
In contrast to mature markets like the U.S. and Europe, where PLBs commanded a 40% share, PLBs commanded merely a 6% share of the Indian market. In India, Reliance and Aditya Birla are investing significantly in PLBs, however the challenges of low brand loyalty, competition from national brands, and erratic consumer perception prevail.
Current studies have mainly revolved around the success of PLB in mature markets, with limited studies related to India's socio-demographic, cultural, and economic factors. There is also a lack of data on how marketing strategies, trust, and product features affect consumer satisfaction and loyalty in India. Moreover, advanced strategies like digital marketing and sustainability are still under-explored, leaving big gaps in understanding how to drive PLB growth in the Indian FMCG sector.

Research Design
This research is exploratory, descriptive, and comparative in order to achieve its objectives. The primary data will be collected through a survey targeting various socio-demographic groups to gather qualitative insight, focus groups, and in depth interviews with retailers and supply chain experts to understand the market strategies and challenges. Secondary data from existing literature and market reports will complement the primary research. The target population will be consumers of different socio-demographic structures, residing in cities and villages, and retailers operating in developing markets. Stratified random sampling will ensure demographic diversity in consumer surveys. Expert interviews will make use of purposive sampling. Statistical tools will be used to analyze the outcomes of the surveys, thematic analysis of the qualitative data, and comparative analysis of consumer satisfaction between private-label and national brands. It will also analyze the relationship between the elements of the marketing mix and consumer decision-making, as well as the relationship between retailer strategies and brand loyalty. There will be the following structured timeliness in terms of literature reviews and survey design that will lead to collecting, analyzing, and reporting data. Ethical considerations about informed consent, anonymity, and confidentiality will be the guidelines in the research process toward ensuring integrity and compliance. All-inclusive design makes it possible to have an excellent base from which meaningful insights can emerge to fill gaps identified.

Sampling Plan
The target population for this research study would be the consumers of private-label FMCG products coming from diverse socio-demographic backgrounds in a developing market like India. Given the scope of the research, the selected sample size would be 30-50 consumers. That size would be appropriate in order to gain initial insights and seek trends while at the same time representing what is feasible in terms of time and resources. This study will engage stratified sampling in its approach to ensure the samples have proper representation from both age groups, income brackets, and regions to amass diverse consumer perceptions on the topic. This will be effectively done by gathering data in both web-based and in-person formats to suit accessibility as much as participant preference. Furthermore, the study will cover qualitative analyses through focus group or interviews in addition to quantitative data. This will ensure that the study achieves its objectives effectively while maintaining efficiency with regard to the specified sample size.

Hypothesis of the Study
Consumer Trust and Loyalty
H1: Consumers with higher trust in a retailer are more likely to consistently purchase private-label products.

Cultural Influence on Perception
H2: Cultural norms and values significantly influence consumer perceptions and acceptance of private-label products.

Tools of the Study:
1. Description of the Tool
For this research, a structured questionnaire was to be used as the primary tool in data gathering regarding consumer perception and customer satisfaction with private-label Fast Moving Consumer Goods (FMCG) products. The questionnaire built out as per the research objectives: understanding of consumer behaviour, degree of satisfaction, and factors that influence their choice of private-label products.

2. Questionnaire Structure
The questionnaire consisted of 16 items put into various sections to question specific aspects of the study:

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Demographic Information: Questions 1–4 took self-reported personal details including name (optional), age, gender, and income level for illustrating demographic features of respondents.

Shopping Habits and Preferences: Questions 5–6 inquired into shopping frequency and locations preferred to buy FMCG.

Perceptions of Private-Label Products: Questions 7–10 were measures of respondents' perceptions of private-label products, such as quality comparisons, the impact of shopping locations, and barriers to purchase.

Customer Satisfaction with Private-label Products: Questions 11–13 measured customer satisfaction as it relates to overall happiness and factors that influence preferences: price, quality, and packaging. The role of affordability also served as a determinant of customer satisfaction.

Loyalty and Promotional Factors: Questions 14–16 assessed the roles of discounts, promotions, and loyalty programs on customer's behavior and repeat purchase.

3. Type of Data Collected

The questionnaire gathered both quantitative and qualitative data:

Quantitative Data: Gathered through closed-ended questions with predetermined answer options, such as Likert scales (satisfaction levels) and multiple choices about shopping frequency.

Qualitative Data: Open-text fields such as Name are included to obtain further insights if the respondent wants to provide additional information.

Expected Outcome: This research study will be able to effectively identify and analyze the enablers and barriers influencing consumer adoption of private-label FMCGs, including price sensitivity, perceived value, quality, brand trust, and availability. It examines the effects of socio-demographic variables such as age, income, education level, and family size on consumer perceptions, purchasing behavior, and overall satisfaction. As these dynamics can be grasped, the study provides recommendations for retailers which are actionable in the sense that they will improve consumer trust, increase quality perceptions of private-label products, and achieve more penetration in the market. It also develops strategies to build consumer loyalty through targeted marketing efforts, innovative product designs, and personalized promotions leading to emotional bonds and long-term value. These insights allow retailers to understand better the motivations and preferences of consumers, so they can tailor product offerings and marketing campaigns to effectively address diverse customer needs.

Data Analysis
Findings and Analysis of Questionnaire Responses:-

1. Age?

Table 1: Age

Age	Frequency	Percentage
20-25	34	66.67%
18-20	8	15.69%
25-30	6	11.76%
Above30 years	3	5.88%
Total	50	100%

The majority, 66.67% are aged 20-25 years; 82.36% fall between 18 and 25 years of age, while those above 30 years

are less represented at 5.88%. This indicates a biased sample with an over-representation of the younger population, likely targeted towards students or early practitioners. The representation may have to be increased for this kind of study to take a more holistic approach toward the older age groups as well.
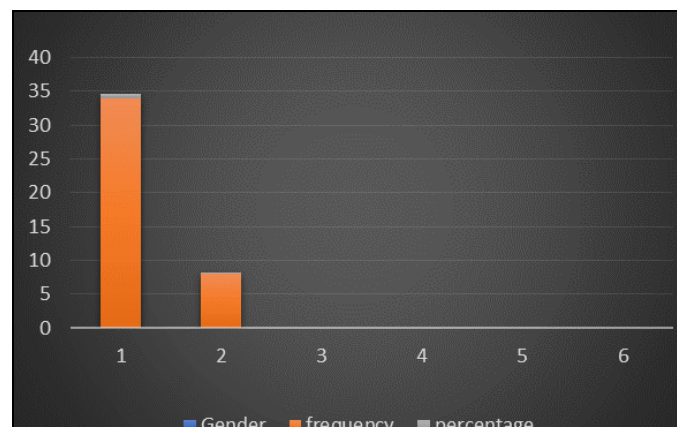

Fig 1: Age

2. Gender?

Table 2: Gender

Gender	Frequency	Percentage
Female	26	50.98%
Male	25	49.02%
Total	50	100%c

The data indicates a roughly balanced gender distribution, with 50.98% female and 49.02% male, consisting of 26 females and 25 males, respectively. Therefore, the sample is fairly representative, and the gender-based analysis or comparison will not be skewed due to the difference in distribution by just one individual.
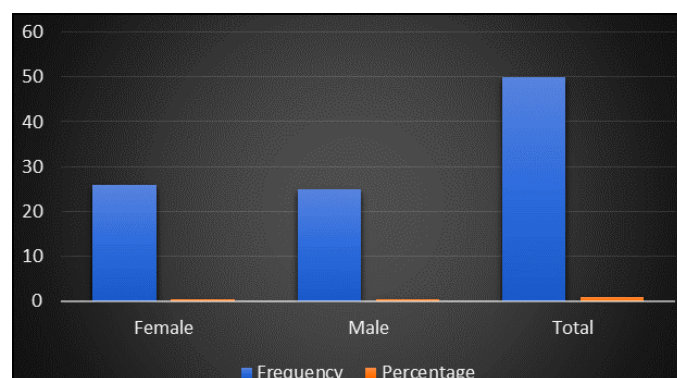

Fig 2: Gender

3. Income Level?

Table 3: Income Level

Income Level	Frequency	Percentage
Under 20k	24	47.06%
20k-30k	13	25.49%
30k-40k	9	17.65%
40k-50k	3	5.88%
Above 60k	2	3.92%
Total	50	100%

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The data shows that almost half or 47.06 percent of the people fall under the "Under 20k" bucket, which is the most prevalent income band. The second largest grouping is between $20k and $30k, at 25.49 percent, and not as many fall within the bands of $30k to $40k at 17.65 percent. As few fall in the "40k to 50k" band at 5.88 percent or even "above 60k" at just 3.92 percent. This is a distribution which would imply a population that cuts across largely in lower brackets and representation declining steeply with increases in income.
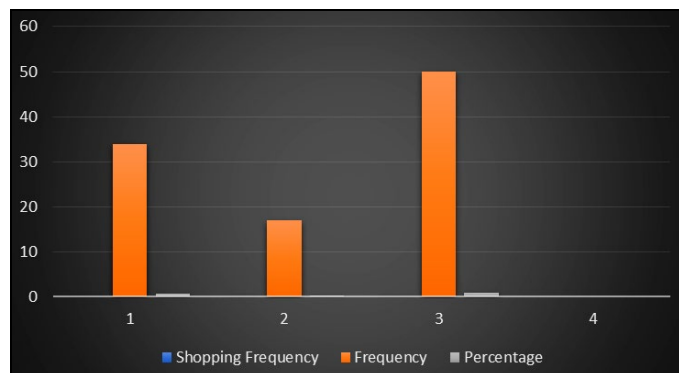
Fig 3: Income Level

4. Shopping Frequency?

Table 4: Shopping Frequency

Shopping Frequency	Frequency	Percentage
Monthly	34	66.67%
Weekly	17	33.33%
Total	50	100%

The data shows that most customers (66.67%) like to shop monthly, while a smaller segment (33.33%) shops weekly. It would mean that most of the consumers might be planning purchases according to monthly budgets or schedules. The smaller percentage of weekly shoppers might relate to people who have more frequent or recurring needs, like grocery shopping or perishable goods. Overall, the monthly shopping preference points to a propensity for consolidated, planned purchase behavior.
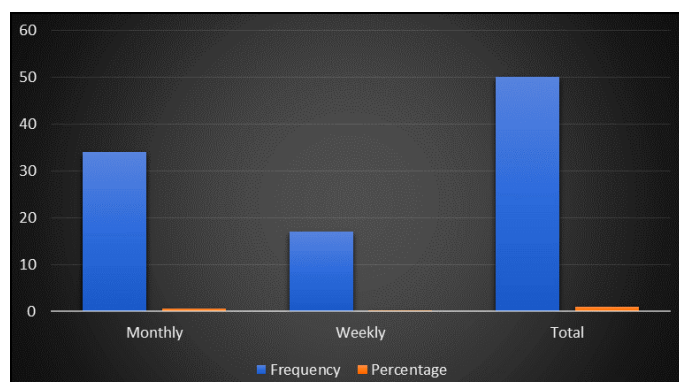

Fig 4: Shopping Frequency

5. Shopping Location Preference?

Table 5: Shopping Location Preference

Shopping Location Preference	Frequency	Percentage
Online retailers	18	35.29%
Local stores	16	31.37
Supermarkets	12	23.53%
Hypermarkets	3	5.88%
Other	2	3.92%
Total	50	100%

The data presents an online retailer as a location where most prefer shopping-35.29%-to reflect the increasing tendency for e-commerce. Following the trend is the local stores at 31.37%. They are still relevant when a shopper needs convenience or shop with people around them. Supermarkets remain a popular choice at 23.53%, possibly for a wide variety and easily accessed. Hypermarkets hold little appeal at 5.88%, and others attract 3.92%, suggesting that they mainly provide niche or infrequent usage. This distribution reflects a shift toward digital shopping while still maintaining a balance with traditional retail options.
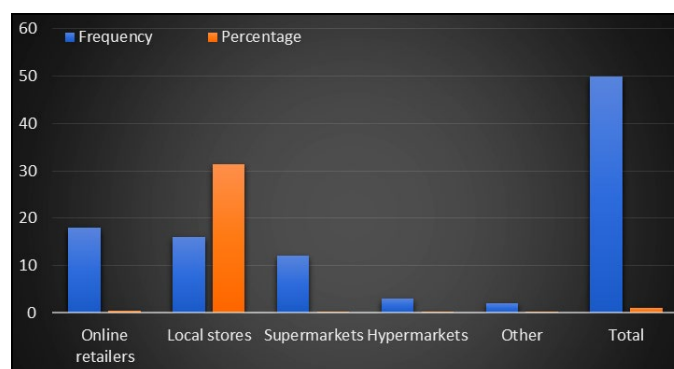

Fig 5: Location Preference

6. Perception of Quality (Private-label vs. Branded)?

Table 6: Perception of quality

Perception of quality	Frequency	Percentage
Slightly Lower	23	45.10%
Equal	14	27.45%
Not sure	10	19.61%
Superior	4	7.84%
Total	50	100%

Nearly half of the respondents, at 45.10%, think quality is slightly lower, indicating some scepticism over product standards. A sizeable percentage, 27.45%, thinks that the quality is equal, reflecting either neutral or consistent expectations. Meanwhile, 19.61% are unsure, which suggests uncertainty or not enough experience to make a judgment. Only a small group, 7.84%, perceives quality as superior, indicating limited confidence in high standards. This would indicate that enhancing quality perceptions might be the focal point of creating trust and satisfaction in business operations.
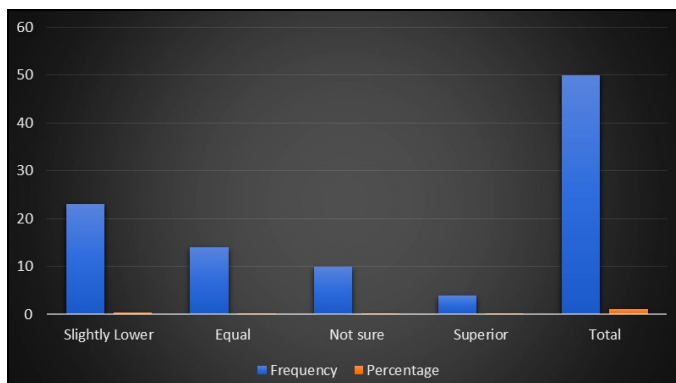
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Fig 6: Perception of Quality

7. Shopping Location's Effect on Decision?

Table 7: Shopping Location Effect on Decision

Shopping Location Effect on Decision	Frequency	Percentage
Somewhat	22	43.14%
Yes, a lot	20	39.22%
Not really	9	17.65%
Total	50	100%

The data shows that location of the shopping place is a significant influencer for consumers, with 39.22% saying it affects them "a lot" and 43.14% saying it affects them "somewhat." Only 17.65% feel location does not play a very important role. This suggests that accessibility, convenience, or some other features of shopping locations are crucial factors in shaping consumer choices. Businesses should focus on improving the shopping experience and ensure that their locations meet customer needs to stay ahead in the competition.
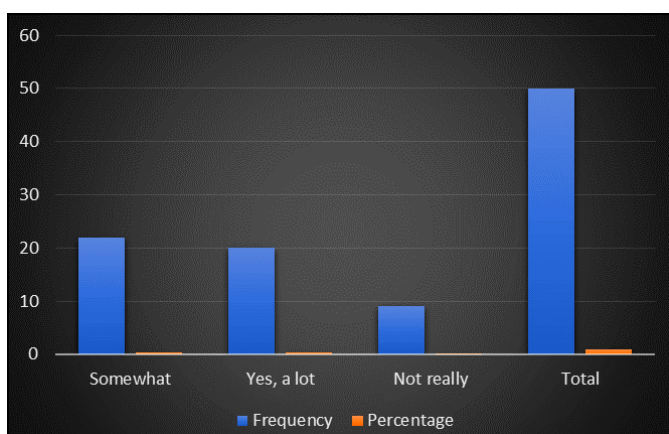

Fig 7: Location Effects

8. Barriers to Buying Private-label Products?

Table 8: Barriers to Buying private-label products

Barriers to Buying private-label products	Frequency	Percentage
Lack of trust in the brand	22	43.14%
Concerns about quality	12	23.53%
Lack of variety	9	17.65%
Availability issues	4	7.84%
Nothing	4	7.84%
Total	50	100%

The major barrier to buying private-label products is the lack of trust in the brand (43.14%), and it underlines the necessity for strong brand credibility. Quality-related issues are the other significant factors (23.53%), which suggests that the consumers may feel that the private labels are inferior to the brands they know. Lack of variety (17.65%) and availability issues (7.84%) also contribute but to a lesser extent, suggesting opportunities for improvement in product offerings and distribution. Of note, 7.84 percent indicated no barriers for private-label products.
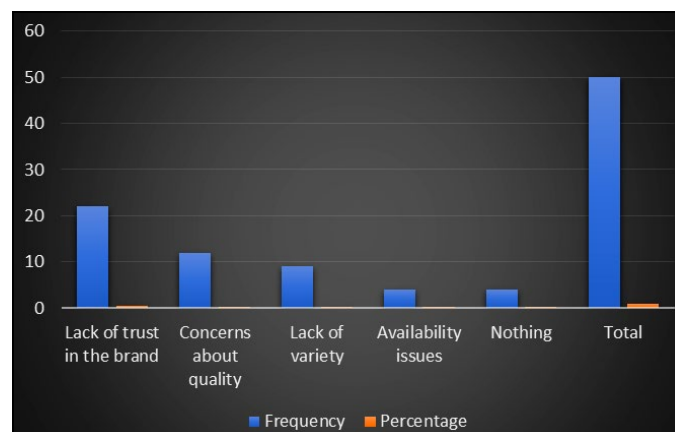

Fig 8: Purchase Resistance

9. Ease of Finding Products in Stores?

Table 9: Ease of finding products in stores

Ease of finding products in stores	Frequency	Percentage
It makes a slight difference	27	52.94%
Yes, it strongly encourages me	12	23.53%
No, it doesn't matter	12	23.53%
Total	50	100%

This is evidence that the majority of shoppers (52.94%) consider it makes a slight difference in their shopping experience, since it is easy to find the products in stores. Another small proportion of 23.53% said it strongly encourages them to shop, and yet another 23.53% said it doesn't matter at all. Thus, it can be assumed that even though convenience is essential for many shoppers, it will not be a factor in the decision-making process of all shoppers. For other individuals, the considerations may be price, quality, or store atmosphere, outweighing factors of ease of finding things.
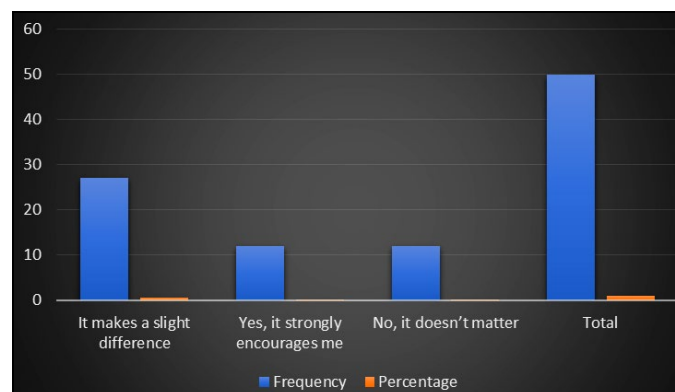

Fig 9: Product Resistance

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10. Satisfaction with Private-label Products?

Table 10: Satisfaction with private-label products

Satisfaction with private-label products	Frequency	Percentage
Neutral	31	60.78%
Satisfied	12	23.53%
Dissatisfied	8	15.69%
Total	50	100%

This information means that most of the respondents were neutral about private-label products, with 60.78% expressing no particularly negative or positive attitudes toward them. The number of those satisfied was 23.53%, which could indicate appreciation for the quality or price of private-label products. Finally, 15.69% were dissatisfied and may have some concerns related to quality, variety, or price. Overall, private-label products have an average level of customer satisfaction, but a significant portion are probably indifferent or critical, suggesting further potential for improvement of this product category.
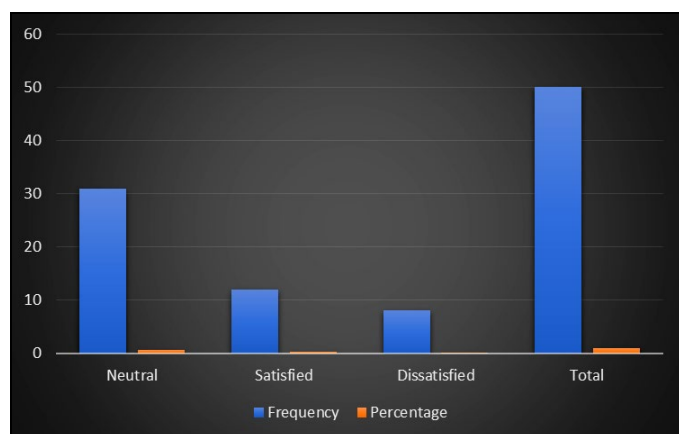

Fig 10: Product Satisfaction

11. Factors Affecting Preference for Private-label Products

Table 11: Factors Affecting Preference for private-label products

Factors Affecting Preference for private-label products	Frequency	Percentage
Quality	22	43.14%
Trust in the retailer	11	21.57%
Price	8	15.69%
Packaging	7	13.73%
Availability	3	5.88%
Total	50	100%

According to data, the most significant parameter is quality, where nearly 43.14% responded by giving priority to that parameter. The trust placed on the retailer also affects 21.57% of the respondents, so people are more comfortable to buy private-label products when purchased from a source on which they have confidence. For the remaining 15.69%, price and for the rest 13.73%, packaging are not at such a significant level where quality and trust take precedents. The least impactful factor for availability is 5.88% and suggests that consumers were more concerned with the characteristics of the product and retailer reputation than its availability.
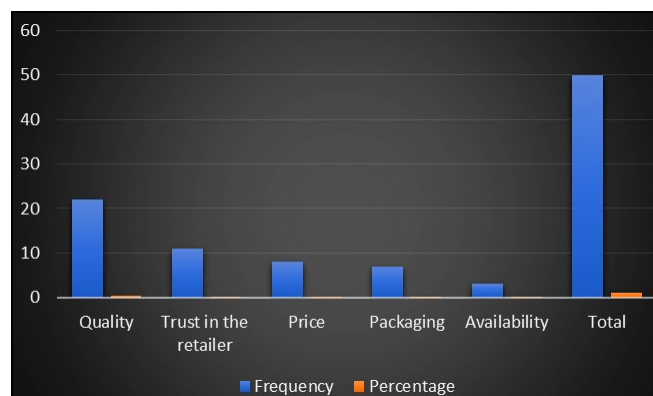

Fig 11: Preference Drivers

12. Influence of Price on Purchase?

Table 12: Influence of price on purchase

Influence of price on purchase	Frequency	Percentage
Somewhat, if the price is reasonable	26	50.98%
Yes, they are affordable	16	31.37%
No, price doesn't influence my decision	9	17.65%
Total	50	100%

The data shows that price is a significant factor in purchasing decisions, with 50.98% of respondents indicating that they are influenced by price if it is reasonable. Another 31.37% consider affordability, which means that price is a significant factor for most consumers. However, 17.65% of respondents claim that price does not impact their decisions, meaning that other factors such as quality, brand, or convenience may hold greater importance for these individuals. Overall, the majority of shoppers are price-conscious, with affordability being a primary consideration in their purchasing habits.
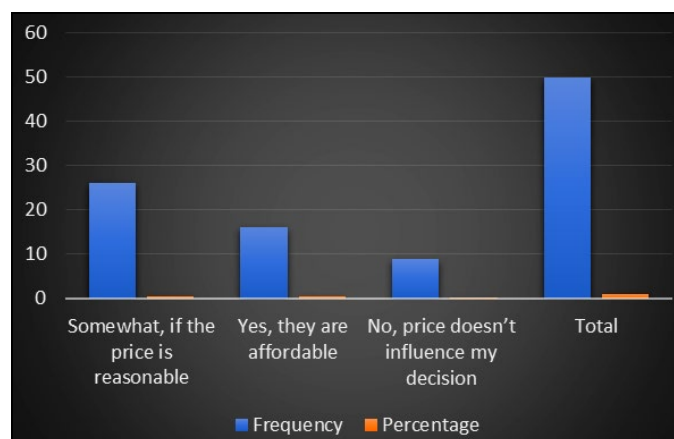

Fig 12: Price Impact

13. Effect of Discounts or Promotions?

Table 13: Effect of discount or promotions

Effect of discount or promotions	Frequency	Percentage
Sometimes	26	50.98%
Yes, always	14	27.45%
Never	11	21.57%
Total	50	100%

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The data shows that price is a significant factor in purchasing decisions, with 50.98% of respondents indicating that they are influenced by price if it is reasonable. Another 31.37% consider affordability, which means that price is a significant factor for most consumers. However, 17.65% of respondents claim that price does not impact their decisions, meaning that other factors such as quality, brand, or convenience may hold greater importance for these individuals. Overall, the majority of shoppers are price-conscious, with affordability being a primary consideration in their purchasing habits.
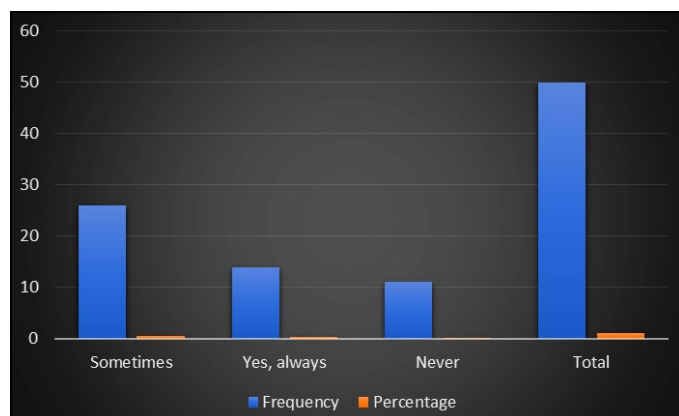

Fig 13: Promotional Influence

14. Rewards and Repeat Purchases?

Table 14: Rewards and repeat purchase

Rewards and repeat purchase	Frequency	Percentage
Sometimes	27	52.94%
Yes, frequently	15	29.41%
Never	9	17.5%
Total	50	100%

The data reveals that more than half of the consumers (52.94%) sometimes repeat purchases when rewarded, which indicates that incentives moderately influence buying behavior. The majority of the consumers, 29.41%, frequently respond to rewards, which shows that they have a strong preference for loyalty programs or discounts. However, a small group of 17.5% never repeats the purchase based on rewards, which may be due to factors such as brand loyalty, price sensitivity, or satisfaction with previous purchases. In general, rewards appear to be a motivating factor for most, but not for everyone.
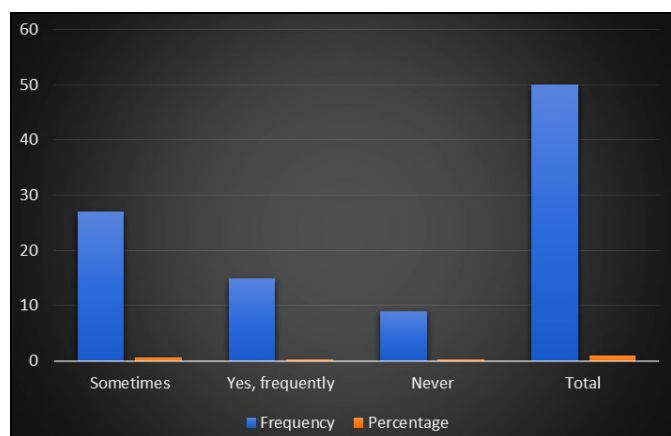

Fig 14: Loyalty Incentives

15. Factors Encouraging Loyalty to Private-label Products?

Table 15: Factors encouraging loyalty to private-label products

Factors encouraging loyalty to private-label products	Frequency	Percentage
Consistent availability	13	25.49%
Personalized recommendations	12	23.53%
Customer-friendly	9	17.65%
None of the above	9	17.65%
Loyalty programs (e.g., points, discounts)	8	15.69%
Total	50	100%

Consistent availability (25.49%) is the major factor encouraging loyalty to private-label products, with reliability and ease of access being of utmost importance. Personalized recommendations (23.53%) also have a major role, indicating that a tailored shopping experience is one that will enhance customer engagement. Customer-friendly experiences (17.65%) and loyalty programs (15.69%) are important but less influential. A significant 17.65% of the respondents mentioned that none of these factors contributed to their loyalty, indicating that possibly not every consumer strongly cares about private-label products or other factors not on the list.
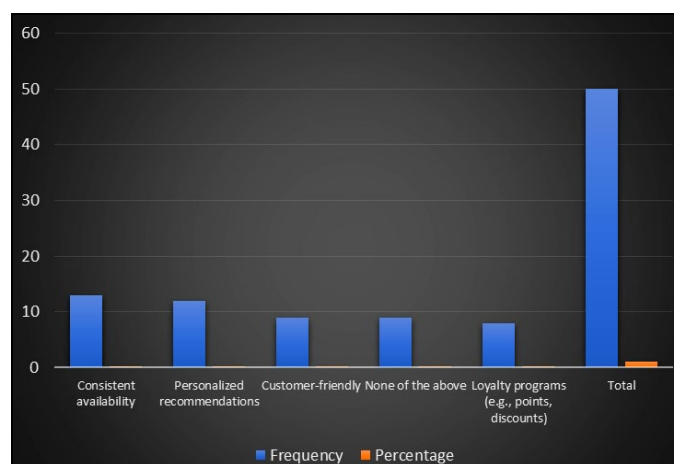

Fig 15: Loyalty Drivers

Limitations
- **Limited Sample Size:** The sample size of the study is very limited, ranging from 30 to 50 consumers that may not reflect the richness and variety of consumer preferences across this vast and varied population.
- **Geographical and Cultural Limitations:** The research may not consider the impact of regional and cultural differences in influencing consumer perception and satisfaction.
- **Narrow Scope of FMCG Categories:** This study focused on private-label FMCGs, and, by extension, may not entirely reflect variations in subcategories that will further limit the generalizability of the findings.

Suggestions and Conclusions
- Increase coverage of the sample with regards to age groups to have comprehensive insights.
- Fill the perception gap of trust and quality by promoting transparency and changes in product standards.

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- Broaden private-label product portfolio and increase availability to improve access for consumers.
- Sensitize consumers to active engagement through personalized recommendations, loyalty programs, and so forth.
- Promote sustainability initiatives according to global trends and reduce perception risks.
- Utilize technology like augmented reality and data analytics for improving the consumer experience and satisfaction.
- Adopt the strategy of targeted marketing using price sensitivity and quality assurance to enhance market penetration.
- Conduct further studies in order to analyze the efficiency of the marketing mix, also known as the 4Ps, to adjust private-label promotion strategies.
- Conduct more research on the cultural nuances in consumer behavior in India.
- Design integrated solutions for developing long-term loyalty to brands and retailer trust.

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