Identifying the Drivers of Purchase Intention for Private Label Brands. Preliminary Evidence from Pakistani Consumers

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Keywords: Perceived price, Perceived quality, Perceived risk, Brand loyalty, Private label purchase intention, Repurchase intention.

ABSTRACT

The purpose of this paper is to find out the impact of private label brand on customer repurchase intention and also ascertain how consumers satisfied has become brand loyal or going to the next step of repurchase intention. Further, in Pakistan the private label product is not popular so this research also finds out what people perceive this private label product. The data were collected from 100 respondents and used exploratory and confirmatory factor analysis to find out the relationship between dependent. Further Regression test also applied to check the relationship between variable. In the questionnaire six items are there and based on Likert scale five points. The finding shows that in the four variables one variable brand loyalty has a substantial impact on private label repurchase intention in a partial mediation model and the impact on repurchase intention is totally mediated by private label purchase intention. The study has few limitations; number one is it is limited on Karachi North Nazimabad. So, should be carefully used if results apply on general. Second is purchase attitude (Private label repurchase intention) that was based on consumer decision. For further study it will be interesting measure the object like purchase. For instance, total spending number of store brand. The study shows that how Pakistan market is growing by retailer and how consumer purchase intention is going to change day by day. While five variables such as perceived price, perceived quality, perceived risk and brand loyalty impact on mediating variable and dependent variable is repurchase intention the overall this model shows why private label product familiar in market instead of brand.

INTRODUCTION

The earlier studies related to brand indicate that consumer purchased branded products and they have compared branded product to unbranded products (Mouna &
Georges, 2017). So the consumers of some countries are altering their buying behaviour by purchase least amount products, the reason is that they have minimum purchasing power and facing great depression while other countries enjoy financial benefits. (Samit & Stela, 2016). On the other side they are searching substitute products that helpful them to save money without negotiating the quality of product they purchase (Samit & Stela, 2016). The retailer market of Pakistan has grown up in recent years, final consumers are more confused due to substitute brands and high competition among them also there is high prices. In recent situation, Private label brands used new strategy by retailers to capture the maximum market shares, and to acquire improved, position and stimulate consumer intention toward a private label brand (Sandra, n. d).

Kotler said, the private label brand is known brand, which is owned by distributer and sale through the higher class departmental malls. Although branding is different than product from others provide in competitive market, there has been a visible change during the two decades related to consumer preferences toward private label or store brands (Paul et al, 2011). The private label products sold under the ownership of whole seller or retailer with their own label instead of branded producer. There are many private label brands launch by hypermarket chain in Asia as per record, however very little have been commercially effective or sustainable bases (Sebri & Zaccour 2017). The productions of private label brands have been increasing particular in food industry all over the world. In the single US, there is 40% yearly sales comes from private label during the last decade, in the European market private label continuously gain market shares, the reason is customer benefits from private label brand is lower price 30% relative to national brands (N. Kakkos et al, 2014). At the same time, consumer are now a days prefer to purchase private brands products and happy to varieties available in departmental stores and hyper markets (Mbaye et al, 2013). According to Cezacu et al (2016) the owners of private label brand are striving to upgrade its products standard and it’s wrapping without increasing their prices and now it’s not considered as low-level product. By enhancing quality of Private label products consumers purchase intention increase and as a result retailer enjoy high transactions from consumers of European countries (Nielsen, 2014). The purpose behind creating the Private label brand is to maximize store profit and push to the manufacturers (Burt et.al, 2016). The enlargement of Private label brand is because of the reduction of production cost and selling in the large amount, with this condition we can forecast that in 2025 Private label brand capture
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double and triple sales (Sparks and Burt, 2016). Retailers are great predictor and they have great knowledge about the factors which influencing the purchase and post purchase intention of private label food products which result more development and advancement in the standard of Private label food product in a regional market (Mbaye et al, 2013). The traditional belief of buyers on purchasing well known commodities according to the branding data is that these famous labelled products have standard comparatively to unusual products. (Walsh, Shiu & Hassan 2012). The consumers of some countries are altering their buying behaviour by purchase least amount products, the reason is that they have minimum purchasing power and facing great depression while other countries enjoy financial benefits. (Cela & Cezacu, 2016).

After analyzing the problem of price sensitive customers, traders introduce private label brand in their shopping stores that containing minimum price, comparatively to well known brand. Private label products also known as phantom brand or store brand and it has entered in all division of products. Private label brand has complete dominancy and authority to trade its brand without including or involved another. Retailers have faced low transactions as many consumers think that private label brand has inferior quality because of its low label price. (Grunert 2004 and Cela et al, 2016).

There are many earlier studies done in the field of private label brand but most of them are related to Europe and US markets. The finding and implications related to these studies are not suitable for Asia; the marketing strategies related to private label brand are different according to each geographical area (Kedyanee & Pongsatorn, 2011). A small number of studies have been done on private label outside the Unites states and European markets, and very few describe the differences about the private label progress crossway the countries. According to research survey, 60 earlier studies concluded that 75% of data collected from United States (Mouna & Georges, 2017). Why does Private label brand give large market share to some countries while other countries are not gaining it? What build market appreciative to private label product extension? Can we recognize factors which show dissimilarity of Private label performance among countries? (Sebri & Zaccour, 2017)

**RESEARCH BACKGROUND**

People don’t have great idea about the quality of Private label brand. New generation do not prefer Private label brand they prefer national brand because of
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national brand efficient marketing attractive strategies and because of their prestige (Thu & Nguyen, 2014). Retailers still are not able to capture the shares of national brands. Retailers of Private label brand are not successful to giving awareness to the consumers about their competitive advantage of high product quality in low price. Retailers are not taking serious attention toward promoting Private label brands (Thuy & Chi, 2015).

To recognize and discriminate the particular goods and services brands were made, so that they can be noticeable in the trade market among others goods and services. The brand is the mixture of words, symbol, sign, slogan etc, and the purpose of it is to recognize a single brand between various competitors’ brand. The private label brands are those brands which are hold and dominant by a company whose foremost dedications are supplying (Schutte, 1969).

Private label brands were offered by retailers in their stores approximately 100 years ago and the products which introduced first in it are tea and coffee. In 2000, Private label Marketing Association (PLMA) done research and stated that the buyers of United States like Private label brands more than national brands and they consume 71% of retailer’s brand. In the result retailers get high profit margin. Basically, the aim behind Private label brand is to offer something best in low price to the consumers because of the inflation and economically problems (Pang et al, 2015).

When Private label brands were introduced so that time there were only few brands available in the retailer’s store but now more than 60% grocery items are available in retailer’s store, not only grocery but now retailers also attracting and capturing competitive brand customers to own store through providing non-food products also. According to Vargas (2011) there are many customers who are buying Private label product as the low-price alternative and with this perception that low price means low in quality. Even though that's not true, retailers are trying too much to improving their quality like national brand. The position of Private label brand in the market are still low than national brand, even though if we compare the quality of Private label brand to national brand so Private label products are more superior in many brands than national products (Jose, 2011).

The growth and the success of Private label brand are directly depending on retailers. Now it is retailers work what to do or what not to do, what strategies to use to persuading customers and what strategies to use to attracting or retaining customers. When to invest and how much spend this or that time all things retailers should know so
that they can compete national brands (Pang, 2015).

**RESEARCH OBJECTIVES**

The following are the research objectives.

1. To ascertain the relationship between perceived price and private label purchase intention.
2. To ascertain the relationship between perceived quality and private label purchase intention.
3. To ascertain the relationship between perceived risk and private label purchase intention.
4. To ascertain the relationship between brand loyalty and private label purchase intention.
5. To ascertain the relationship between private label purchase intention and repurchase intention.

**PROBLEM STATEMENT**

Mostly Pakistani people don’t know about the Private label brand so that they are not able to get benefits from it. Pakistani people are become brand conscious day by day and mostly they prefer branded products rather than private label products. The economic condition of Pakistan is not so good, at that time they should prefer Private label brand but they still prefer national brands. Retailers who own and control Private label brands aren’t able to advertise efficiently to their Private label products. (Kedyanee at el, 2011). Mostly people of Pakistan are price conscious but when they go for shopping so they prefer less price substitute product from national brands category not from Private brand product.

**PURPOSE OF THIS STUDY**

The purpose of this study is to identify the drivers of purchase intention towards the private label brand, how customers purchase and repurchase the private brand. The seven variables are related to this study in which Independent variables are brand awareness, perceived quality, perceived risk, perceived price and brand loyalty. The mediating variable is private label intention and dependent variable is repurchased intention. This research will contribute new information, facts about consumer behavior
towards private label brand also helpful to understand retailer and whole seller that what factors are influencing on the purchase and re purchase intention by that they will be able to improve the quality of private label products.

RESEARCH CONTRIBUTION

The behavioural research studies related to private label brand particularly about Karachi, Pakistan. The increase trend of private label in Karachi with the passage of time and there in no research conducted in this area of private label branding specially in Karachi. So this research will helpful to close the gap in literature that is the purpose to realize the consumer purchase intention and find out what are the determinants influencing on purchase intention of private label brands. Therefore, it may assist the brand managers to understand the customer assessment of their brand and help them to build up clear guidelines to position their brands in the light of consumer preferences.

LITERATURE REVIEW

According to the Nielson (2014), 71% of respondent from the world favour the quality of Private label brand and not only favour but also agree that retailers are enhancing the quality of Private label brand time to time (Pang el. at, 2015). Neilson also stated that 66% respondents from Asia buy Private label brand just because the less in price and 57% of respondents buy Private label brand because they feel good to buy this. Through Neilson research we are able to know that price and quality both are essential elements or factors which enhance consumer's intention to buying any product (Mbaye el. at, 2013).

Purchase intention:

Purchase intention shows that it is a buyer’s Willingness in which buyer prepare or ready to buy particular goods and services at some future time and it is consider the initial step before actual purchasing (Kakkos et al. 2014). It is very difficult to purchase any product because consumer has difficult buying behaviour. Generally, consumer’s performance, awareness and mind set impact on his buying behaviour. The determining and examine the particular commodity the purchase intention play a vital role. There are many instruments for measurement but most efficient instrument is purchase intention without it buyer’s decision not comes to an existence, because when buyer takes decision to buy commodity so his intention motivate him to buy particular commodity
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(Nurafifah et al, 2012). A Buyer’s intention depends on price quality and value, if these are not according to buyer’s demand so he immediately changes his intention and switch the product. Inner thought also creates obstacles in buying decision. It is a physiological driving force which inspires the buyer to accomplish his desire (Kedyanee & Pongsatorn, 2011).

**Repurchase Intention:**

The repurchase intention is very interesting topic for most of researcher; the researcher said the repurchase intention is one of the factors of consumer’s loyalty. The loyal customer is the base of any successful business. There are various way to retain customer like price discount, promotion or lower price that is not meaning on low quality. The repurchase intention is the willingness of consumer to purchase again second time or again and again (Suresh, 2016). According to Zeithaml, the repurchase intention is related to customer loyalty; desire to pay maximum price, positive word of mouth and satisfaction shows the five-behavioural attitude (James & Clay, 2006)

**Private Label Brand:**

Kotler said, the private label brand is known brand, which is owned by distributer and sale through the higher class departmental malls (Thuy & Chi, 2015). Although branding is different than product from others provide in competitive market, there has been a visible change during the two decades related to consumer preferences toward private label or store brands (Paul et al, 2011). The economic condition of the world is unfavourable and cost of living increase day by day in this situation growth of economy slowdown and increase inflation. The most of consumer starting to change their leaving and shopping pattern (Siti et al, 2012)

The private label brands now a days have great acceptance due to price that is lower than the national or manufactured brands, the preference of private label brand has increased all over the world in nineteen century (Kedyanee & Pongsatorn, 2011) The earlier studies and documented records shows that continuous quality improvement, low price of private label brand as compare to manufacturer brands and gradually development in retail stores and hyper markets by this the market shares of private label brand increases day by day (Dany el. at nd).

**Brand Loyalty:**

The brand loyalty leads to continual repurchasing of brand also gives advantage over competitors and gives long term profitability (Kedynee & Pongstorn, 2011).
According to East et al, when the consumers are loyal with their favourite brand so directly and indirectly they show positive attitude toward it. Store brand loyalty has directly linked with the purchasing of Private label brands because their loyalty build trust in them and push them to purchase their favourite store brand again and again (Kedyanee, 2011).

According to Brand loyalty analysis, in 2015, Scot Burton illustrate that 76% purchasers think themselves as a great brand loyal toward their favourite brand while this percentage has been decreased from last years. The brand loyalty decreases because the consumers change their perception toward the brand and in result switch one national brand to another national brand then after national brand they switch toward Private label brands. Through less brand loyalty toward national brand, Private label brand get benefit to capturing market share of national brand (Scot, 2015).

**Perceived risk:**

The concept of perceived risk was developed in the subject of psychology according to this consumer feel uncertainty or expected loss related to goods and services (Paul et el, 2011). In different words this perception related to particular situation in which consumer feel uncertainty or risk regarding new product it may be favourable or unfavourable results. Simultaneously when a consumer is thinking that a particular product is risky so he will leave his purchase intention (Thuy & Chi, 2015). The perceived risk can be divided in to three categories such as first is, financial risk which is feeling of buyer is losing money after buy a product. Second is performance risk when consumer scares that the product will not perform as per advertise. Third is physical risk that is the negative feeling about health and injure. Overall is perceived risk is negative expectation about particular product (Sandra & Durdana, 2013).

**Perceived Quality:**

Aaker (1996) describe that perceived quality is a consumer perception which gives him concept of preference to one brand to other. If Consumers are happy or satisfied with quality of particular brand, so they will be stimulated to buy a particular product or create positive word of mouth (Hus& Ting, nd). The private label brand is less acceptable where the difference in quality among the national brand and private label brand is greater. These concepts have negative affect on the purchase of private label brand and people are feeling lower risk in purchasing of national brand (Jose & Reza, 2011).
The prices of branded products are higher than private label brand so that is why private label brand is popular between price sensitive customers. But certain consumers thought that there is the relationship among price and quality. They think that lower price is a feature of cheaper quality. So due to this people do not purchase private label brand (Kedynee & Pongstorn, 2011).

**Perceived Price:**

The perceived price is that customers are measure the product according to its price. The consumers are comparing the price between two parallel products according to the most beneficial features of the product, means how much product gives benefits to their customer that much consumers perceived its price. The perceived price is the great element which pressures the customers toward its purchase of the product and services. (Kakkos 2014). The price is the most important feature which helps the consumer to buy a product or services the observation of perceived price should be stronger because when the connection of quality and price are not parallel so the customer’s intention to purchase the product becomes weaker (Vahidreza, 2015). The company gives more attention to their customers so that they can make long term relationship in result they get loyal customers, the benefit which company receives from the loyal customers are that they are every time ready to buy their most favorable product doesn’t matter about the increasing price because loyal customers intention to buy a product is not depend on price is depend on the product which they want. (Scot et al, 1998)

**CONCEPTUAL FRAMEWORK**

The conceptual framework has developed on the bases of earlier studies; it is also cover the related factor for this research. In the following paragraphs conceptual framework discuss in detail.
Perceived Price and Private Label Purchase intention

Price plays a very vital role in market indications. The effect of price is widely because it is included in all purchase relating situations. Prices negatively impact on purchase intention because when a consumer purchases private label product, they want that product which gives them high return and high in the value of money. That’s why there are so many authors who wrote there are many consumers who make price link with product quality in their purchasing intentions. (Donald et al., 2015). When the prices are high so at that time the consumer’s intentions to purchase relation is positive. In the Erickson and Johansson Model there is a relation between price and purchase intention, one is positive and one is negative. The relation change due to the consumer’s quality perception. As we know that prices are understood as a critical stimulus so it is critical because of the different consumer’s attitude and perception toward buying goods and services. Consumers are diversifying and they have different attitude to perceive price and price promotions. (Erickson & Johansson, 2015).

Perceived Price, Private Label Purchase intention and Repurchase Intention

Price is basically an offering which consumers give in their purchasing intention. Perceived price means that price which consumers perceive and it contain time cost, money which sacrificed by consumers, seeking cost, intuitive cost etc. When the consumers like the product so there’s no need to remember the price of a product in purchasing situation but when the price of a product is too less and too expensive so at that time consumer remember it. (Wang & Chen, 2016). According to Hussain el. at (2016) illustrate that through the prices of branded good and services the relation of price and purchase intention goes wrong. When the retailers give price discount on every
minimum purchasing so the brand will move from the holding to the consideration of consumers. There are 4 marketing mix and price is one of them which increase sales revenue while other 3 mixes produce cost. Consumers purchase result depends on their perception about the price that what should be the price of a product according to the value giving. Retailers should know about diversifying perceptions of consumers as it is a significant marketing priority. (Kotler & Keller 2012). Buyers decides to select the same particular product again because they satisfied from their last purchase. Satisfaction in a sense that they thought the price quality and the other factors are efficient compare to competitor’s product. Consumers repurchase intention depend on value which the organizations providing to their buyers (Doina et al, 2014).

**H1**: Private level Purchase Intention mediates the relationship between perceived prices and repurchases intention.

**Perceived Quality and Private Label Purchase intention.**

According to Kandasamy (2014) Perceived quality is the main factor of customer's behaviour as well as it helps in making success of the manufacturing goods. The Quality of the product is a vital element without which we can’t image the marketing success. Marketers do lots of hard work in creating perception of their quality of the product in the minds of consumers so that they can make unique selling point comparatively to competitors and establish long term goodwill in the market. In many aspects perceived quality is very essential because through this customer are motivated and take a step to purchase products. Through perceived quality customers are evaluating a product that which product is good to buy or which product is not good to buy for them (Kandasamy, 2014). As per Bristow et al, 2002 defined that when consumers are confusing in taking product quality at the time of purchasing so then they prefer to go with the brand name as it is also the factor which influence consumers in buying products and services. Customer Perceived quality is the perception of the overall product related to its purpose. Due to customer's perception, customers evaluate quality of the products toward same category alternatives and after evaluating excluding others product and finally select best one product which has highest quality among others (Kandasamy, 2014).

**Perceived Quality, Private label Purchase intention and Repurchase Intention.**

According to May, Yoon & Kim, 2011, perceived quality is basically the measurement of the quality of the product according to their expectations. The
competition between national and private label brand is quality of products basis not price basis. Many researchers show the direct relation with the quality and purchase intention because consumers buy products after evaluating the quality of the products among other products (Thuy & Chi, 2015).

According to Focker et al., 1996, retailers who offering best quality product to their consumers are gaining 5 to 6 times more rapidly market share than those retailers who offer inferior quality product to their consumers because on the first-time retailer who offering inferior product, can get high market share but after experience that inferior product retailers lost their customers and in result fail to retain them. So quality feature wholly depends on business activities.

Some Previous literature show that product quality and purchase intention have indirect relation due to customer satisfaction (mediate factor), while other literature show dual and both direct and indirect influence between them (Rizaimy et al, 2011). Similarly, some authors illustrate that the evaluation of product quality can be done through post purchase activity while others said the evaluation is based on pre-purchase and post purchase behaviour. (Rizaimy et al, 2011). According to Jin and Suh, 2005 the repurchase intension is basically depending on buyer’s behaviour, that in future buyer wants to repurchase brand or switch toward another brand. The consumers repurchase intention also based on their price quality and any other dimensions connection. (Ruta, 2015).

**H2: Private level Purchase Intention mediates the relationship between the perceived Qualities and repurchases intention.**

**Perceived Risk and Private Label Purchase intention**

Many authors identified that there are many elements and perceived risk is one of that element which is present in every element. Most of the researchers have utilized these elements and some has introduced new one. From the category of risk, some risks which can be evaluate by both the retailers and consumers these risks are monetary risk, tangible risk and performance risk. (Azim, Zarei & Ahmad, 2014). According to Batra & Sinha, Richardson et al, buyer’s action can be predicting through the perceived risk. Consumer’s risk which they perceived put directly impact on their purchase intention. Buyer’s perceived risk related to purchasing products put bad impact on retailer’s store brand.
Organizations and store brands are facing risk on their every single product. One bad experience from a brand prevents buyer to repurchase not only that product but the whole category products just because of that one bad experience, because when buyers decided to buy a product after evaluating many brand, so it means they have trust on that brand and when their expectation is not fulfilling according to them so their confidence go down and they perceived bad toward that brand. (Azim & Ahmad, 2014).

**Perceived Risk, Private Label Purchase intention and Repurchase Intention**

To recognize buyers risk perception, retailers are researching on consumer’s likeness and dialkenes. Through this investigation retailers can reduce buyers and own store risk. Prior literature illustrated that consumers think store brand’s products are more risky than national brand products, because on the purchasing of a product there are many dimensions behind it and on those dimensions perceived quality is one of them. When purchaser evaluate quality so it measures whole product superiority and the buyers perceive store Private label brand quality is less than national brand quality that’s why they perceive store brands products riskier. As everyone knows that less quality means high risks (Celina et al, 2005). The consumers high risk perception toward store brand built through their unsatisfactory result on buying store products. However, according to Hoch and Banerji, store brands also have less market share comparatively to national brand because of its low or inferior quality. (Celina et al, 2005). There is a close connection between believe and intention to purchase. Consumer’s believes create from the previous buying results. (Bart et al, 2005 and Ha et al, 2010). Whenever marketers formulate strategies about previously offered brand and for a new brand so they take help from the previous data (which were basically collected to know about consumer's purchase intentions decision).

H3: Private level Purchase Intention mediates the relationship between perceived risks and repurchases intention.

**Brand Loyalty and Purchase Intention**

Consumers show something special attitude toward the brand performance and its service is known as Customer’s Loyalty. Customer Loyalty is customer’s favorable attitude and favorable association with the brand (Uncles et al. 2003). Consumers make relationship with the company’s product after evaluation its products or services performance and then they maintain their loyalty toward the particular products.
According to Rahmanet (2012) one thing which attracts consumers to buying again and again the same brand is not any other thing but Brand Loyalty. Now a day’s the number of hyper stores and hyper stores related brands are increasing rapidly just because of retailer’s research that stores keep more customer loyalty than other so through this they indirectly capture more and more customers toward their store brands and enjoying high profitability in returns. If the retailer’s brand has uniqueness in their products so that they will get desire results otherwise how much they increase their stores and brand they can’t capture customers (Rahman et al, 2012). The connection of brand loyalty toward purchasing intention of Private label brands is not always positive, it varies country to country like if we talk about Malaysia so the people purchasing Private label brands not because of their loyalty and their emotional relation with that brand but just because of low prices of those products (Reichheld & Sasser, 1990).

**Brand Loyalty, Purchase Intention and Repurchase Intention**

Gonraing illustrate in his research, 2008, that in the middle of 1980’s Loyalty toward the brand will make on the consumers recognizable products or service quality while after the era of 1980’s this concept will change into focus toward the products so then organizations was also give attention to solve customers’ problems by satisfying their needs. Not only this, after the era of 1990. The concept again changes from focus to competitors, in this concept retailers focus on bring unique and competitive element in their products which differ them from their competitors. And now in 20th century this competitive concept change in to targeting customers concept in which the main and primary task is to target customers. (Rahman et al, 2012). According to Samit CELA & Stela CAZACU, (2016), brand loyalty has positive relationship with purchase intension. If the customers have trust on the performance of Private label products then they will make intention to purchase it, as trust plays very important role in buying any product. The economic downfall is also a factor which pushes consumers to purchase Private label brand from the stores.

**H₄:** Private level Purchase Intention mediates the relationship between brand loyalties and repurchases intention.

**Purchase Intention and Repurchase Intention**

Buying intention is basically a consumer judgement from which he willing to repurchase the specific product. Marketers always bring new and creative strategies to
retain their consumers and consumer’s retention come into existence when they purchase again and again their favourite particular brand. Every organization marketing plans aim is to retain their customers for their long-term profitability (Alireza & Mahnoosh, 2012).

According to Gounaris et al, 2010 the meaning of repurchase intention is that, buyers wants to purchase more and more from the same organization. While Lacey and Morgan, 2009 stated in his paper that repurchasing means company gives delegate performance to attract their consumers which results consumer make decision to repurchase it products. Believe is one of the important factor through which consumer repurchase product. (Klee (1997).

**H5: Purchase intention has an effect on repurchase Intention.**

**RESEARCH METHODOLOGY**

To analysis the construct which is developed on the basis of earlier studies and test applied as well as. The self-administrative questionnaire developed on Likert 5-point scale for primary data collection. The first four sections developed for test the effect on repurchase intention (dependent variable) with mediating relationship by purchase intention (mediating variable). Independent variables are Perceived price, perceived quality, perceived risk and brand loyalty. The sample size is 100 and non-probability or convenience sampling technique has used for this research because this is not possible to collect the data from the whole population. To measure the internal reliability of questionnaire the Cronbach’s alpha was calculated. The Cronbach alpha has used to check the consistency of the complete and this range very from 0 to 1. The closer to 1 is higher reliable.

**DATA ANALYSIS**

**Descriptive Statistics**

The following section present the descriptive statistics for six constructs: Perceived price, perceived quality, perceived risk, brand loyalty, purchase Intention and Repurchase Intention. For calculation of each construct using summed scoring approach. In the below table mean of the constructs lied within the range of 3.005-3.835 and standard deviation of the mean range from 0.52-0.91. Further, skewness and kurtosis related to all items also examined that all are lied in the range of -0.269 to -1.304and 0.18 to 6.100, respectively. The all item values retained as theses were lied
within the criteria of skewness (-3 to +3) and kurtosis (-8 to +8) as per Kline (1998). Also test the reliability scale by Cronbach alpha to check the consistency of data, which is the very useful tool as per earlier studies. The Cronbach alpha values of perceived price, brand loyalty purchase label intention and repurchase intention all are greater than 7 and perceived quality and perceived risk both are lower than 7. It means 4 constructs are reliable for further analysis.

<table>
<thead>
<tr>
<th>Construct</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Skewness</th>
<th>Kurtosis</th>
<th>Reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perceived Price Total</td>
<td>3.590</td>
<td>.6738</td>
<td>-.269</td>
<td>.116</td>
<td>.750</td>
</tr>
<tr>
<td>Perceived Quality Total</td>
<td>3.835</td>
<td>.5321</td>
<td>-1.304</td>
<td>4.116</td>
<td>.360</td>
</tr>
<tr>
<td>Perceived Risk Total</td>
<td>3.660</td>
<td>.5204</td>
<td>-1.021</td>
<td>6.100</td>
<td>.410</td>
</tr>
<tr>
<td>Brand Loyalty Total</td>
<td>3.005</td>
<td>.7646</td>
<td>.299</td>
<td>-.607</td>
<td>.810</td>
</tr>
<tr>
<td>Purchase Label Intention</td>
<td>3.160</td>
<td>.9174</td>
<td>-.182</td>
<td>-.306</td>
<td>.850</td>
</tr>
<tr>
<td>Repurchase Intention Total</td>
<td>3.713</td>
<td>.7780</td>
<td>-.455</td>
<td>.018</td>
<td>.810</td>
</tr>
</tbody>
</table>

**DISCRIMINATE VALIDITY**

According to Bryman and Bell (2005) the correlation analysis the common way to analysis one to one basis. For regression analysis the correlation is the requirement and constructs should be 0.20-0.90 for moderate level. The item needs to drop if its correlation is less than 0.20 or if item value is greater than 0.90 it’s also mean dropped or merged. The results are shown in the following table.

<table>
<thead>
<tr>
<th>Construct</th>
<th>PP</th>
<th>PQ</th>
<th>PR</th>
<th>BL</th>
<th>PLI</th>
<th>RI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perceived Price Total</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perceived Quality Total</td>
<td>0.39</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perceived Risk Total</td>
<td>0.49</td>
<td>0.317</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand Loyalty Total</td>
<td>0.41</td>
<td>0.233</td>
<td>0.172</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase Label Intention Total</td>
<td>0.54</td>
<td>0.223</td>
<td>0.36</td>
<td>0.705</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Repurchase Intention Total</td>
<td>0.41</td>
<td>0.305</td>
<td>0.121</td>
<td>0.646</td>
<td>0.706</td>
<td>1</td>
</tr>
</tbody>
</table>

**Kmo Bartlett’s Test for Sample Adequacy:**

The current research has a sample size is 100 with all communualities are well above 0.5 its mean sample size for this research is 0.77 that is greater than 0.5, consider adequate (Kasier, 1974). The current research is admirable and marvellous as per Hutcheson and Sofroniou (1999) and the sample size is significant.
Identifying the drivers of purchase intention for private label brands. Preliminary evidence from Pakistani consumers

KMO and Bartlett's Test

| Kaiser-Meyer-Olkin Measure of Sampling Adequacy | .778 |
| Bartlett's Test of Sphericity | Approx. Chi-Square | 865.947 |
| | Df | 153 |
| | Sig. | .000 |

Exploratory factor Analysis (EFA):

The Cronbach Alpha and the exploratory factor analysis of 6 variables have value above 0.7 that is showed by reliability test. So, the lesser 6 items out of 24 are deleted. Further 18 fulfilled items were used in subsequent analysis EFA with principal component method and varimax method. The Kmo index was substantial at 0.778 and chi-square 865.947, df 153 and P value is 0.00.

Confirmatory Factor Analysis (CFA):

The confirmatory factor analysis is used to confirm the questionnaire reliability. The model has 153 DF with chi square 865.947 with P value 0.000. So, conclude this research model got acceptable fit from the primary data. Besides other test also shows the reliability and validity of measurement scales. Such as RMSEA root mean square error of approximation and incremental fit such as TLI other is comparative fit index CFI these are used to find out the model fitness.

CFA and EFA Results

<table>
<thead>
<tr>
<th>Items</th>
<th>Factor Loading</th>
<th>Variance %</th>
<th>Communalities</th>
</tr>
</thead>
<tbody>
<tr>
<td>BL_1</td>
<td>.881</td>
<td>32.83</td>
<td>.755</td>
</tr>
<tr>
<td>BL_2</td>
<td>.855</td>
<td></td>
<td>.660</td>
</tr>
<tr>
<td>PLI_4</td>
<td>.802</td>
<td></td>
<td>.851</td>
</tr>
<tr>
<td>PLI_2</td>
<td>.797</td>
<td></td>
<td>.745</td>
</tr>
<tr>
<td>BL_4</td>
<td>.796</td>
<td></td>
<td>.820</td>
</tr>
<tr>
<td>R1_2</td>
<td>.731</td>
<td></td>
<td>.662</td>
</tr>
<tr>
<td>PLI_1</td>
<td>.615</td>
<td></td>
<td>.527</td>
</tr>
<tr>
<td>PQ_2</td>
<td>.886</td>
<td>13.618</td>
<td>.595</td>
</tr>
<tr>
<td>PQ_1</td>
<td>.827</td>
<td></td>
<td>.699</td>
</tr>
<tr>
<td>PR_1</td>
<td>.667</td>
<td></td>
<td>.690</td>
</tr>
<tr>
<td>PP_1</td>
<td>.756</td>
<td>8.264</td>
<td>.794</td>
</tr>
<tr>
<td>PP_2</td>
<td>.689</td>
<td></td>
<td>.759</td>
</tr>
<tr>
<td>PQ_3</td>
<td>.682</td>
<td></td>
<td>.714</td>
</tr>
<tr>
<td>PR_3</td>
<td>.772</td>
<td>7.707</td>
<td>.726</td>
</tr>
<tr>
<td>PR_4</td>
<td>.752</td>
<td></td>
<td>.760</td>
</tr>
<tr>
<td>PP_3</td>
<td>.911</td>
<td>5.191</td>
<td>.778</td>
</tr>
<tr>
<td>PQ_4</td>
<td>.408</td>
<td></td>
<td>.704</td>
</tr>
<tr>
<td>R1_4</td>
<td>.882</td>
<td>5.127</td>
<td>.855</td>
</tr>
</tbody>
</table>
Measurement of Models

<table>
<thead>
<tr>
<th>Model</th>
<th>RMSEA</th>
<th>NFI</th>
<th>RFI</th>
<th>IFI</th>
<th>TLI</th>
<th>CFI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Default model</td>
<td>0.124</td>
<td>0.564</td>
<td>0.505</td>
<td>0.682</td>
<td>0.628</td>
<td>0.673</td>
</tr>
<tr>
<td>Saturated model</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Independence model</td>
<td>0.204</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

To find out the indirect effects applied multiple regression and these are following results presented in the following tables. The finding shows that Brand loyalty had a significant impact on repurchase intention through purchase intention as p value is 0.01 and unstandardized coefficient B for brand loyalty is equal to 2.46. This mean increase in brand loyalty so increase in repurchases intention through purchase intention. The purchase intention has significant impact on repurchase intention as p value is 0.00 and unstandardized coefficient B for brand loyalty is equal to 4.791. To sum up that other hypotheses are rejected

Due to P value greater than 0.05.

The result of indirect effects / hypotheses results

<table>
<thead>
<tr>
<th>Relations</th>
<th>Beta</th>
<th>P Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perceived Price Total</td>
<td>-0.368</td>
<td>0.71</td>
</tr>
<tr>
<td>Perceived Quality Total</td>
<td>1.586</td>
<td>0.11</td>
</tr>
<tr>
<td>Perceived Risk Total</td>
<td>0.764</td>
<td>0.47</td>
</tr>
<tr>
<td>Brand Loyalty Total</td>
<td>2.46</td>
<td>0.01</td>
</tr>
<tr>
<td>Purchase Intention</td>
<td>4.791</td>
<td>0.00</td>
</tr>
</tbody>
</table>
DISCUSSION

According to Lamey, (2007) and Cezacu et al, (2016), the owners of private label brand are striving to upgrade its products standard and it’s wrapping without increasing their prices and now it’s not considered as low level product. By enhancing quality of Private label products consumers purchase intention increase and as a result retailers enjoy high transactions from consumers of European countries. (Nielsen, 2014, Cela, 2016)

Now a problem of the businesses in today’s world is how a firm tries to position itself in the consumer’s mind, to bond them with the brand as they take the brand as a crucial role in their lives. So the driver of repurchase intention such as perceived price, perceived quality, perceived risk and brand loyalty. The overall result of the study shows that the respondents on an overall basis had a positive image or negative response toward the private label product. In this paper, 8 hypotheses were developed and tested. All the hypotheses were substantiated and were consistent with earlier studies. The results of the hypothesis and its relevance to earlier studies are discussed in the following sections.

The $H_1$ Private level Purchase Intention mediates the relationship between perceived prices and repurchases intention. This hypothesis is rejected as per earlier studies as discuss in the following paragraph.

The end user customers focus on performance of a product, the spender focus on price while the purchaser checks the value. So, spender is a price conscious and he wants best product related to its given price. According to the AC Nielson, research was conducted in 2014; he illustrates that price is the most important factor and essential driver in the purchase intention of Private label brand because from the 30,000 online purchasers maximum purchasers are price consciousness and 67% of purchaser thinks that private label brand gives us best quality (Suresh Kumar, 2016).

The $H_2$ Private level Purchase Intention mediates the relationship between perceived qualities and repurchases intention. The answer and findings are consistent with earlier research as discussed in the following paragraph.

This according to Kedyanee & Tochanakarn, 2011, for the private label brand selecting process customers should recognize the quality not the price, because Private Label brand competitive advantage is that retailers are providing goods and services of their brand in low price with the same quality of competitor’s brand. When consumers understand this, the quality of the product is more important than the price so the market
share of store brand will rapidly increase.

The \( H_3 \) Private level Purchase Intention mediates the relationship between perceived risks and repurchases intention. The answer and findings are consistent with earlier research as discussed in the following paragraph.

The Organizations and store brands are facing risk on their every single product. One bad experience from a brand prevents buyer to repurchase not only that product but the whole category products just because of that one bad experience, because when buyers decided to buy a product after evaluating many brand, so it means they have trust on that brand and when their expectation is not fulfil according to them so their confidence go down and they perceived bad toward that brand (Azim & Ahma, 2014). To recognize buyers risk perception, retailers are researching on consumer’s likeness and dislikeness. Through this investigation retailers can reduce buyers and own store risk.

The \( H_4 \) Private level Purchase Intention mediates the relationship between perceived loyalty and repurchases intention. The hypothesis is accepted the answer and findings are consistent with earlier research as discussed in the following paragraph.

Now a day’s the number of hyper stores and hyper stores related brands are increasing rapidly just because of retailer’s research that stores keep more customer loyalty than other so through this they indirectly capture more and more customers toward their store brands and enjoying high profitability in returns. If the retailer’s brand has uniqueness in their products so that they will get desire results otherwise how much they increase their stores and brand they can’t capture customers. (Rahman Bin Abdullah et al, 2012). The connection of brand loyalty toward purchasing intention of Private label brands is not always positive, it varies country to country like if we talk about Malaysia so the people purchasing Private label brands not because of their loyalty and their emotional relation with that brand but just because of low prices of those products. (Rahman Bin Abdullah et al, 2012).

The \( H_5 \): Purchase intention has an effect on repurchase Intention. The hypothesis is accepted the answer and findings are consistent with earlier research as discussed in the following paragraph.

Whenever marketers formulate strategies about previously offered brand and for a new brand so they take help from the previous data (which were basically collected to know about consumer’s purchase intentions decision). According to Jin and Suh, 2005 the repurchase intensity is basically depending on buyer’s behaviour, that in future buyer
wants to repurchase brand or switch toward another brand. The consumers repurchase intention also based on their price quality and any other dimensions connection. (Ruta, 2015).

**Implication**

Private label in Pakistan is a growing trend but the number of brands has strong position. Now recently private label products are facing some problems. That is regarding the perceive quality as compare the price the repurchase intention increase but not the faster rate. This study also finds out that there is not significantly influence of perceived price, perceived quality and perceived on repurchase intention and mediating the relationship by purchase intention. This is surprisingly the brand loyalty have strong impact on repurchase intention by mediating variable purchase intention. Moreover, that purchase intention has significant influence on purchase intention Hence the private label improve their perception or image by the improvement in quality that will reduce the risk and increase the price because the price is the main indicator of quality perception, through all type of improvement strengthens the privet label brand in the market.

**Limitation and Future Research:**

This research has few limitations and also opens the door for future research. 1st the research is conducted only in the area of north Nazimabad Karachi. So in the result generalize for big geographic area be careful I hope there is different results. 2nd repurchase intention is based on consumer behaviour. For future research it will be good to find out actual spending on store brand.

The finding of current research opens a number of avenues for future research activities. First it is interesting to apply this research in different cities of Pakistan. Also private label brand is the worldwide phenomenon; the research can also apply in other countries. The most of the research had done in western countries so it is the requirement of time this research can use in Asian countries. I hope this research finding will be useful as a catalyst for further research marketing scholars and also for retailers or whole seller who are interested in private label brand.

**CONCLUSION**

The objective of this research paper has been to enlighten and comprehend the driver of repurchase intention; and the impact of other variables on repurchase intention. The business of private label product target to the market is an essential marketing
activity. For the expansions and prosperity of Private label brands buyer's reliability is essential. To maintain the standard level of store quality and buyers reliability retailers bring new policies as existing competition among retailers are unfavourable for them and one policy among others is launching Private label brand for their stores. Private label Manufacturers Association (PLMA, 1991) stated that retailers hold private label products and normally the private label brand name and store name are same but sometimes the owner of private label brand introduce their brand with another name which link to its store name. Private label brand include all products as national brand. The findings of the study suggest that the private label should improve their quality. The findings also state that the brand loyalty toward the private label brand has positive relationship that is the key elements for business victory and that will lead to profitability and high market share.

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