

# **PRODUCT PRIVATE LABELS BRANDS SEBAGAI ALTERNATIF MERAH KONSUMEN PADA PERUSAHAAN RITEL**

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## **ABSTRACT**

*In the world of retailing, retailers compete by performing a variety of strategies, which are now commonplace, Private Label Brands / PLBs, this brand of products designed and developed using the name of the retailer in question and only sold by the company, is replaced with a brand in other stores so that helps retailers in controlling the flow of consumer loyalty and establish a store and a project "at a lower price image" of retailers and manufacturers improve bargaining power of national brands.*

**Keywords:** *Private Label Brands, retailing, consumer*

## **PENDAHULUAN**

Di zaman modern ini, persaingan dunia usaha semakin ketat, para pemasar berlomba-lomba menciptakan produk handal, dengan fitur-fitur yang menarik perhatian dan pelayanan tambahan yang memuaskan konsumennya. Demikian pula halnya di dunia *retailing* (usaha eceran), pengusaha ritel bersaing dengan melakukan berbagai macam strategi, misalnya: penawaran diskon, produk murah, dan berbagai strategi lainnya, yang tujuannya untuk menarik minat konsumen membeli produknya atau melakukan transaksi di tokonya.

Salah satu strategi pengusaha ritel yang sekarang marak dilakukan yaitu munculnya produk bermerek pribadi (*Private Label Brands/PLBs*), PLBs merupakan produk yang mereknya didesain dan dikembangkan dengan menggunakan nama

pengecer bersangkutan dan hanya dijual oleh perusahaan tersebut. Misalnya Carefour menjual produk makanan atau minuman dengan merek Carefour juga. Menurut Davies (1990 dalam Dick, Richard and Koskinen, 2000: 4) *Private Labels Brands /PLBs* adalah: "any product with a retailer-owned name on it"

Dari pernyataan di atas dapat disimpulkan bahwa PLBs merupakan produk yang dibuat oleh perusahaan dengan nama perusahaan ritel yang memproduksinya.

*Private Labels Brands/PLBs* merupakan salah satu strategi pengusaha ritel dan *grocery* yang diunggulkan untuk meraih konsumen. PLBs merupakan diferensiasi merek dari peritel, merek mereka tidak sama dan tidak tergantung dengan merek di toko lain. PLBs dapat membantu peritel dalam mengendalikan alur

konsumen dan membentuk loyalitas terhadap toko dengan menawarkan lini produk yang eksklusif (Corstjens and Lal, 2000: 96), PLBs juga merupakan proyek “image harga yang lebih rendah” dari peritel dan meningkatkan bargaining power mereka terhadap perusahaan manufaktur atau produsen merek nasional yang terkenal (Narasimhan and Wilcox, 1998: 34). Namun strategi tersebut juga dapat menjadi bumerang bagi pengembangan PLBs apabila dihubungkan dengan risiko. Biasanya orang menganggap produk dengan harga murah memiliki kualitas rendah sehingga menimbulkan risiko pembelian.

Konsumen selama ini akan membeli produk *Private Labels Brands/PLBs* karena lebih mempertimbangkan faktor harga, dan biasanya menganggap kualitas dari PLBs lebih di bawah produk *national brands*. Hal inilah yang kemudian menjadi kelemahan produk ini. Karena kualitas produk akan berpengaruh terhadap tingkat risiko yang dirasakan (*perceived risk*) oleh konsumen. Konsumen biasanya menganggap produk dengan harga yang lebih murah akan menimbulkan risiko kualitas produk yang diterimanya atas produk tersebut.

Akan tetapi masih banyak faktor yang dapat mempengaruhi kesuksesan *Private Labels Brands/PLBs*, seperti investasi teknologi yang dibutuhkan, ukuran dari kategori produk, promosi dari *national brands* (Hoch dan Banerji, 1993., dalam Rajeev dan Indrajit 2000: 176). Celah dari

*national brands* dengan PLBs dalam tingkat kualitas dan juga teknologi yang dibutuhkan dalam proses produksi juga mempengaruhi kesuksesan tersebut. Selain itu tingkat keyakinan konsumen terhadap suatu merek juga mempengaruhi persepsi mereka terhadap produk PLBs. Faktor *consumer-level* juga bisa membuat PLBs sukses dalam kategori produk., (Richardson, Jain dan Dick (1996: 10), mereka meneliti tentang perbedaan antar kategori produk dari perspektif *consumer-factor*, dan yang tidak kalah penting kesuksesan *Private Label Brands/ PLBs* juga dipengaruhi oleh *level* risiko yang dirasakan (*the level of perceived risk*) pada kategori produk. *Consumer-Level of Perceived Risk* mencakup *consequences of purchase mistake* (persepsi dari konsekuensi kesalahan pemilihan merek), *the degree of variation in quality across brand* (tingkat variasi kualitas di antara merek), *the “search” versus “experience” nature of product features*, dan ditambah dengan variabel *consumer level of price consciousness* (kesadaran konsumen akan harga) keempat variabel di atas dihubungkan dengan variabel *Private Labels Brands/PLBs Purchase* (pembelian dari PLBs) untuk mengetahui pengaruhnya terhadap kesuksesan dari PLBs. *Perceived risk* merupakan variabel atau faktor yang penting dan telah digunakan banyak peneliti perilaku konsumen.

Variabel-variabel di atas dapat digunakan sebagai indikator dari kesuksesan produk PLBs. PLBs akan

sukses dalam kategori produk apabila pertama dalam pembeliannya, konsumen menempatkan harga sebagai faktor yang pertama. Dan selanjutnya konsumen menerima konsekuensi kesalahan pemilihan merek yang lebih rendah, variasi kualitas antar merek dalam suatu kategori produk kecil, serta ketika kategori produk tersebut lebih memiliki karakteristik “*search*” daripada “*experience*”, atau ketika konsumen mudah memilih suatu produk dari kemasan, bentuk, dan informasi lain yang tertulis di produk daripada harus mencobanya lebih dahulu, di sini konsumen akan memilih produk yang memiliki faktor yang memudahkan konsumen dalam mengenali produk tersebut. Dalam penelitiannya, Rajeev dan Indrajit (2000), meneliti pengaruh dari *consumer-level factor* terhadap kesuksesan PLBs dalam 12 kategori produk dengan mensurvei 263 responden yang pernah membeli produk PLBs atau cukup mengetahui produk dari PLBs. Alasan mengapa penulis mengemukakan *Private Labels Brands /PLBs* adalah: PLBs merupakan suatu strategi yang sekarang marak dilakukan oleh perusahaan-perusahaan *retailing*, di mana strategi ini masih tergolong baru dan mengalami perkembangan di Indonesia.

### **USAHA RETAIL**

Usaha *retailing* adalah usaha yang kegiatan intinya adalah menjual barang dagangan kepada konsumen akhir baik melalui *mail*, telepon, *door to door*, atau bahkan melalui

mesin otomatis, menunjukkan fungsi dari *retailing*. Lusch (1982: 4), memberikan definisi tentang *retailing* sebagai berikut: “*retailing is the final move in the progression of merchandise from producer to consumer.*”

Usaha ini terdapat bermacam-macam bentuk, seperti *department store*, toko khusus, *supermarket*, *hypermarket*, dsb. Inti dari usaha *retailing* adalah menjual berbagai produk langsung kepada konsumen sasaran atau konsumen akhir. Produk yang dijual bermacam-macam sesuai jenis toko yang dimiliki, misalnya: *department store* menjual produk pakaian, peralatan rumah tangga, dan mebel, sedangkan *supermarket* menjual produk makanan, minuman, obat-obatan, dan kebutuhan sehari-hari. Kemudian untuk *hypermarket* bisa menjual gabungan dari kedua toko di atas ditambah produk elektronik dan produk lainnya.

Strategi yang digunakan oleh pengusaha *retail* biasanya dengan memadukan unsur-unsur yang terdapat dalam bauran *retail (retailing mix)*. Bauran *retail* terdiri dari 6P, yaitu:

1. Penawaran produk (*product*)  
Dalam bauran produk, para pengecer memutuskan apa yang akan dijual berdasarkan apa yang ingin di beli oleh pasar sasaran mereka.
2. Strategi Promosi (*promotion*)  
Strategi ini mencakup pengiklanan, *personal selling*, hubungan masyarakat dan publisitas publik, serta promosi penjualan (Basu Swatha, 1984: 44). Tujuannya adalah

membantu memposisikan suatu toko dalam benak konsumen.

3. Lokasi yang baik (*place*)  
Pemilihan lokasi yang baik merupakan keputusan yang penting, karena lokasi merupakan komitmen sumber daya jangka panjang yang dapat mengurangi fleksibilitas masa depan sehingga mereka dapat mempertahankan kelangsungan toko semula dan di masa mendatang.
4. Harga-harga eceran (*price*)  
Adalah penting untuk memahami bahwa tujuan puncak eceran adalah untuk menjual produk kepada konsumen dan bahwa harga merupakan hal penting dalam memastikan penjualan. Harga juga merupakan elemen kunci bagi strategi toko eceran dalam memposisikan diri dan pengklasifikasian.
5. Penampilan toko eceran (*presentation*)  
Penampilan toko eceran membantu menentukan citra toko dan memposisikan toko eceran dalam benak konsumen. Elemen utama dalam penampilan toko adalah suasana (*atmosphere*), yaitu kesan keseluruhan yang disampaikan oleh tata letak fisik toko, dekorasi dan lingkungan sekitarnya (Lamb et al; 2001: 105)
6. Personel dan pelayanan konsumen (*Personnel*)  
Orang merupakan aspek yang unik di bidang ritel. Meskipun kebanyakan penjualan eceran yang melibatkan hubungan khusus antara tenaga penjual dengan pelanggan

tidak berlangsung lama, namun pelayanan yang baik bahkan merupakan hal yang lebih penting.

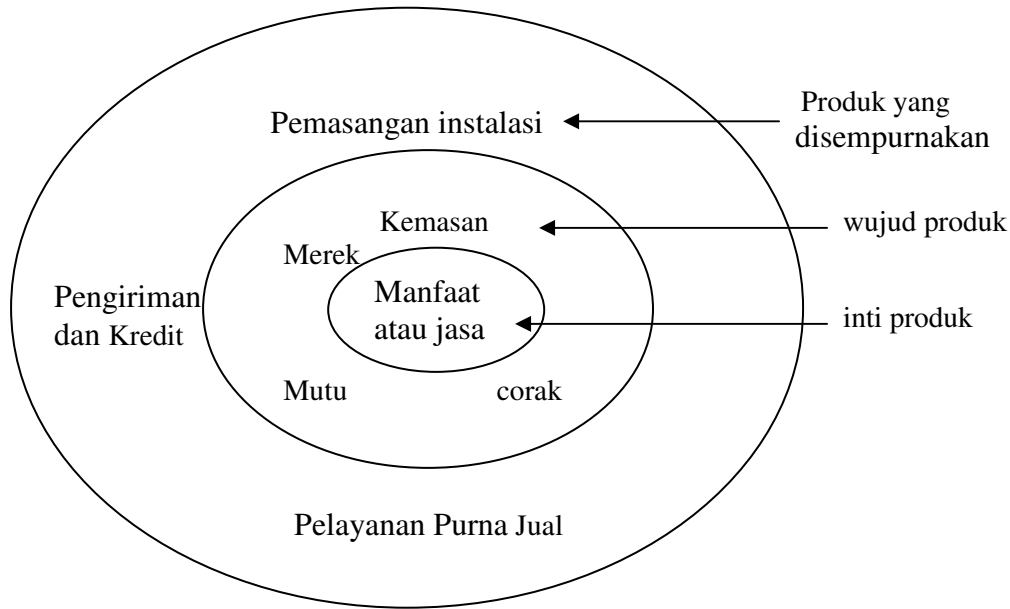
### **PRODUCT PRIVATE LABEL BRANDS (PLBs)**

Salah satu strategi peritel dewasa ini adalah pengembangan produk *Private Label Brands*, strategi ini menggunakan bauran Produk (*Product*) dengan harga (*Price*). Pengembangan produk ini, didasari pada keinginan peritel menyediakan produk alternatif kepada konsumen dengan harga yang relatif lebih rendah dibanding produk berlabel produsen. Strategi ini juga bertujuan untuk meningkatkan tingkat loyalitas konsumen terhadap toko yang menjual produk (peritel).

Dari gambar tingkat produk di bawah ini, tingkat yang paling dasar adalah inti produk, yang akan menjawab pertanyaan “Apa yang sebenarnya dibeli oleh seorang pembeli?” Pada hakekatnya setiap produk merupakan “Sebungkus pemecah masalah”, Maka tugas seorang pemasarlah mengupas kebutuhan yang tersembunyi di balik setiap produk dan menjual manfaatnya.

Kemudian, inti produk tersebut harus dapat diubah menjadi suatu wujud produk, yang memiliki karakteristik corak/ciri khas, mutu, merek, dan kemasan.

Untuk lebih menarik konsumen terhadap produk, pemasar harus memberi jasa dan manfaat tambahan produk, sehingga menjadi produk yang disempurnakan.



Gambar 1. Tiga Tingkatan Produk  
(Sumber : Kotler, 1990 :90)

### PRIVATE LABEL BRANDS

Merek pribadi (*Private Label Brands*) merupakan produk yang mereknya didesain dan dikembangkan dengan menggunakan nama pengecer bersangkutan dan hanya dijual oleh perusahaan tersebut. Menurut Davies (1990 dalam Dick, Richard and Koskinen 2000: 24) *Private Label Brands* adalah: “*Any product with a retailer-own-name on it*”.

Dari pernyataan di atas dapat diambil kesimpulan *private label brands* merupakan produk yang dibuat oleh peritel dengan nama perusahaan ritel yang memproduksinya.

Menurut Dick, Richard dan Koskinen (2000: 24), *produk private label brands* selanjutnya disingkat PBLs dapat diklasifikasikan sebagai berikut:

1. *Store brands*: yaitu produk PLBs dengan merek nama toko, misal merek Tesco yang dimiliki peritel “Tesco”
2. *Store sub-brands*: yaitu produk PLBs dengan merek nama toko ditambah dengan nama lain, misal Tesco Finest Range.
3. *Generic brands*: yaitu produk PLBs dengan merek independen (tidak menyertakan nama toko), misal Value Plus produk PLBs dari Matahari *supermarket*.
4. *Individual product brands*: yaitu produk yang dimiliki peritel tetapi dianggap sebagai merek individu, nama merek mungkin terlihat dibagian belakang, namun tidak terlalu mencolok.
5. *Eksklusif product*: secara definisi bukan produk PLBs tetapi mem-

punyai beberapa kesamaan karakteristik, produk ini bukan murni produk peritel tetapi bekerja sama dengan *supplier*.

PLBs merupakan salah satu strategi pengusaha ritel yang diunggulkan untuk meraih konsumen. PLBs merupakan diferensiasi merek dari peritel, merek mereka tidak sama dan tidak tergantikan dengan merek di toko lain. PLBs dapat membantu peritel dalam mengendalikan alur konsumen dan membentuk loyalitas terhadap toko dengan menawarkan lini produk yang eksklusif (Corstjens and Lal, 2000: 4), PLBs juga merupakan proyek “*Image* harga yang lebih rendah” dari peritel dan meningkatkan *bargaining power* mereka terhadap perusahaan manufaktur atau produsen merek nasional yang terkenal (Narasimhan and Willcox, 1998).

#### **PERSEPSI TENTANG HARGA**

Harga merupakan faktor yang selalu menjadi pertimbangan dari konsumen dalam pengambilan keputusan pembelian. Menurut Schiffman dan Kanuk (1997: 217) persepsi konsumen terhadap harga, apakah cenderung tinggi, rendah, atau normal dipengaruhi oleh intensitas pembelian dan kepuasan dalam pembelian tersebut. Ketika konsumen memiliki intensitas pembelian yang tinggi, mereka dapat menentukan apakah suatu produk memiliki harga yang wajar, terlalu tinggi, atau bahkan terlalu rendah. Sedangkan ketika konsumen merasa puas dengan produk yang mereka

beli, konsumen tersebut akan dapat menilai kewajaran dari harga produk tersebut, dan apabila harga produk tersebut terlalu rendah konsumen malah akan meragukan kualitasnya.

Pemasar biasanya akan menentukan harga berdasarkan pada referensi harga konsumen, yaitu tingkat harga yang konsumen gunakan sebagai perbandingan dalam menentukan harga lainnya.

Persepsi konsumen tentang harga disebut sebagai *Price-consciousness* dan didefinisikan sebagai tingkat kepedulian konsumen yang lebih memperhatikan pembayaran dengan harga yang lebih rendah (Lichtenstein, Ridgway, and Netemeyer, 1993: 235 dalam Rajeev dan Indrajid 2000: 177). *Price-consciousness* telah digunakan sebagai prediktor dalam PLBs oleh Burger and Schott, 1972; Rothee and Lamont, 1973. Penelitian lain memperlihatkan bahwa *level* konsumen atas kesadaran akan harga meningkat seiring dengan penurunan pendapatan (Gabor and Granger 1979; Lambkin, Haws and Darden, 1986).

#### **PERSEPSI KONSUMEN TERHADAP RISIKO (*PERCEIVED RISK*)**

Pada saat konsumen akan melakukan keputusan pembelian mereka dihadapkan pada risiko pembelian produk. Risiko pembelian produk akan menentukan tingkat keterlibatan konsumen terhadap produk yang akan dibelinya. Semakin tinggi risiko yang dipersepsikan, semakin banyak kriteria yang dipakai konsumen dalam mengevaluasi suatu produk,

yang berarti semakin tinggi pula keterlibatannya. Persepsi risiko tersebut akan mempengaruhi perilaku konsumen (Wahyudi, 2005: 16). Ada tiga alasan yang menjadi penyebabnya (Stone and Gronhous 1993: 97); pertama, risiko persepsi yang berhubungan dengan kondisi yang tidak pasti sehingga konsumen terkadang memerlukan pemikiran yang lebih mendalam sebelum melakukan pembelian. Kedua, komponen dari hasil yang mungkin terjadi dan hasil sebagai konsekuensinya biasanya dikombinasikan untuk mengetahui seberapa besar risiko persepsi tersebut. Ketiga, adanya sedikit penekanan dalam menghubungkan antara risiko dengan indikator lain.

*Perceived risk* atau risiko yang dirasakan merupakan ketidakpastian yang dihadapi konsumen ketika mereka tidak dapat memperkirakan konsekuensi dari keputusan pembelian mereka (Schifman and Kanuk, 1997: 229). Menurut Schifman dan Kanuk (1997: 233) ada enam tipe risiko yang konsumen rasakan ketika mereka membuat keputusan pemilihan produk:

1. Risiko fungsional  
Yaitu apakah produk berfungsi seperti yang diharapkan, misal: "Apakah baterai *handphone* benar-benar dapat bertahan tiga hari?"
2. Risiko fisik  
Adalah ketidakpastian apakah suatu produk berbahaya secara fisik atau tidak, misal: "Apakah radiasi *handphone* itu berbahaya?"

3. Risiko finansial  
Yaitu risiko apakah produk itu kualitasnya sebanding dengan harga yang ditawarkan?"
4. Risiko sosial  
Yaitu risiko secara umum yang dikhawatirkan, seperti dampak lingkungan, dsb.
5. Risiko psikological  
Yaitu risiko yang lebih mengarah kepada emosi seseorang dalam persepsinya terhadap suatu produk.
6. Risiko waktu  
Yaitu risiko yang dirasakan ketika kualitas produk tidak sebanding dengan waktu yang dihabiskan dalam mencari dan menentukan pembelian produk tersebut.

*Perceived risk* pertama kali diteliti oleh Bauer tahun 1960 kemudian Mitchell, 1999; Bettman, 1973; Cooper, Whoo, and Dunkelberg, 1988; Cunningham, 1967; Stone and Winter, 1987 (Huang 2002). *Perceived risk* merupakan konstruk penting dalam riset tentang perilaku konsumen. *Perceived risk* juga digunakan sebagai faktor penentu pemilihan konsumen terhadap merek dan penentu dalam pengambilan keputusan pembelian oleh konsumen (Campbell and Goodstein 2001 dalam James and Brent 2002). *Perceived risk* merupakan tingkat risiko yang akan diterima oleh konsumen ketika mereka memutuskan untuk membeli sebuah merek produk. Semakin baik kualitas merek suatu produk, semakin kecil tingkat risiko yang harus diterima konsumen. Jika *level* dari *perceived risk* ini meningkat, konsumen akan

cenderung lebih menjadi penghindar risiko (bettman 1973 dalam Thomas, James L; Brant j. Cuningham; 2002)

### **KONSEKUENSI DARI KESALAHAN PEMBELIAN**

*Perceived risk* bisa juga didefinisikan sebagai respek dari ketidakpastian dan konsekuensi (Huang 2002: 45), “Ketidakpastian” berhubungan dengan identifikasi dari tujuan pembelian atau proses dari menyamakan tujuan dengan keputusan pembelian, sedangkan “Konsekuensi” berhubungan dengan tujuan fungsional, atau psikological dan usaha, waktu dan uang yang dihabiskan dalam pencapaian tujuan tersebut (Bauer 1960 dalam Huang, 2002: 47). *Consequenses of purchase mistake* merupakan konsekuensi yang diterima oleh konsumen ketika melakukan kesalahan dalam pembelian atau pemilihan merek dari suatu produk, atau dapat diartikan bahwa setiap orang kadang merasa takut bahwa hasil pembelian tidak akan sesuai dengan harapan. Konsekuensi yang dirasakan konsumen bervariasi berdasarkan produk kategori, misal konsekuensi antara membeli obat-obatan akan berbeda dengan membeli tisu atau membeli mobil.

### **VARIASI KUALITAS**

Merupakan perbedaan kualitas produk dari berbagai merek dalam kategori produk. Konsumen biasanya memilih produk dengan kualitas yang baik dengan harga yang terjangkau. Seperti produk PLBs, biasanya har-

ganya lebih murah daripada produk national brands. Dan apabila kualitas dari produk PLBs setara dengan kualitas produk dari merek produsen (*national brands*) maka konsumen akan lebih tertarik untuk membeli produk PLBs oleh karena harganya yang lebih rendah. Menurut Bilson Simamora (2004: 155), pengukuran kualitas suatu merek adalah dengan membandingkan performa merek tersebut dengan performa merek pesaing, sehingga kualitas PLBs akan diketahui dengan membandingkannya dengan merek nasional.

### **SEARCH versus EXPERIENCE nature of product category**

Beberapa penelitian menyatakan bahwa sifat dari fitur produk (*Nature of product Feature*) membuat perbedaan dalam ketertarikan konsumen akan produk PLBs (Beliizi Et A, 1981 dalam Rajeev and Indrajit, 2000: 77) menyatakan konsumen lebih tertarik pada *national brands* daripada PLBs oleh karena faktor prestise, reliabilitas, kualitas, kemasan yang menarik, aroma, rasa, kesamaan, familiar, dsb. Menurut Chandon, wansink, and Laurent (2000 dalam Kusum Schott dan Gedenk 2001) *national brands* dan PLBs mungkin dapat berbeda dalam kebutuhan konsumen, di mana *national brands* tidak hanya berfokus dalam hal ekonomis tetapi juga keuntungan *hedonic*, seperti eksplorasi, prestise maupun ekspresi diri konsumen, yang dalam produk PLBs mungkin tidak dapat ditemui. Atribut “*Experience*” adalah hal yang dapat di-



ketahui setelah membeli suatu produk, misal: rasa, aroma, warna, tekstur, dsb. Sedangkan atribut "Search" merupakan atribut yang dapat diketahui sebelum membeli produk seperti: warna, kandungan yang tertera dalam kemasan produk. Menurut Richardson, Jain dan Dick (1996) konsumen akan memilih produk PLBs apabila dapat dengan mudah mengukur kualitas produk dari kemasannya daripada harus mencobanya terlebih dahulu.

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## **POTENSI KEUNTUNGAN *PRIVATE LABEL* SERTA PROSES PEMILIHAN PRODUK DAN PEMASOKNYA PADA BISNIS RITEL**

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**Abstract:** The demand of products with private label will be likely to get higher as the consumers become more and more selective in buying the products of high quality with an optimal price. Considering this, retailers need to pay more attention to products with private label in facing the competition (especially with other retailers) which is getting tighter. The strong points of products with private label, low price and attractive packaging, need to be balance with the good quality of the products and the right choice of suppliers.

**Keywords:** Private Label, Information Seekers, Brand Switchers, Product Differentiation, Positioning

### **Pendahuluan**

Perkembangan teknologi dan ilmu manajemen yang makin maju belakangan ini menyebabkan jenis, mutu, dan harga barang yang dijual semakin bervariasi. Kadangkala konsumen sulit membedakan barang yang bermutu menengah dan barang yang bermutu tinggi hanya dari tampilan fisiknya saja, apalagi jika produk tersebut dikemas dalam suatu kemasan yang menarik. Untuk menghindari kekecewaan karena salah dalam memilih barang maka banyak konsumen yang memilih barang-barang yang diproduksi oleh produsen yang telah dikenal karena adanya jaminan kualitas produk.

Melihat fenomena tersebut, beberapa penjual eceran (*ritel*) di Indonesia mencoba untuk mengemas produk yang mereka jual dengan kemasan dan merek sendiri (*private label*). Hal ini dilakukan tentunya dengan pertimbangan perusahaan mereka telah memiliki citra yang baik dalam menjual produk-produk yang berkualitas dan tertanam kuat di benak konsumen.

### **Apa itu *Private Label***

Konsep *private label* sebenarnya adalah pengembangan dari konsep merek (*brand*). Merek adalah sebuah nama, istilah, tanda, simbol, desain, atau kombinasi dari hal-hal tersebut yang dimaksudkan untuk mengidentifikasi barang atau jasa dari sang penjual atau kelompok penjual dan untuk membedakannya dari barang atau jasa milik pesaing (Kotler, 1994).

*Private label* yang memiliki nama lain *private brand* dan *store brand* adalah merek yang diciptakan dan dimiliki oleh penjual eceran barang dan jasa (Kotler dan Armstrong, 2004). Sebagai contoh, *private label* di Indonesia yang merupakan hasil observasi penulis dari awal tahun 2006 sampai bulan Juni 2006 ke beberapa jaringan ritel di Bandung adalah: handuk bermerek Melrose yang dijual di jaringan toko Yogya Group dan handuk bermerek Beverly yang dulu dijual di jaringan toko

Matahari (sekarang Hypermart). Tentu saja handuk yang dijual tersebut tidak mereka produksi sendiri, melainkan mereka langsung beli dari produsennya.

### **Munculnya *Private Label***

Kemunculan *private label* merupakan suatu bentuk inovasi dari para pengecer. Seperti dikatakan Drucker (1994), inovasi adalah tindakan yang memberi sumber daya kekuatan dan kemampuan baru untuk menciptakan kesejahteraan.

Kondisi persaingan antara perusahaan ritel, ditambah ancaman masuknya pendatang baru dan produk/jasa pengganti serta bertambahnya kekuatan tawar menawar pembeli dan pemasok memaksa pengecer menentukan strategi yang tepat untuk menang dalam persaingan (Porter, 1996). Terdapat pengecer yang memilih strategi *cost leadership*, *product differentiation*, bahkan *focus*. Strategi *focus* sendiri terbagi lagi dalam *focus* biaya dimana perusahaan mengusahakan keunggulan biaya dalam segmen sasarannya, dan *focus* diferensiasi dimana perusahaan mengusahakan diferensiasi dalam segmen sasarannya (Porter, 1996).

Sebagian pengecer seperti Alfa memilih strategi *cost leadership* dalam menghadapi persaingan. Hal ini dapat dilihat dari berbagai program potongan harga yang bertujuan untuk menarik minat konsumen untuk membeli di jaringan ritel tersebut. Sebagian kecil seperti SOGO memilih strategi *focus* diferensiasi yang terlihat pada berbagai produk yang ditawarkan dengan harga yang ditujukan pada segmen konsumen menengah atas. Selain itu, ada yang mulai mencoba strategi *product differentiation* seperti Toserba Yogya yang menyajikan kenyamanan berbelanja disertai penawaran produk berkualitas dengan harga yang menarik.<sup>1</sup>

Pemilihan strategi *product differentiation* ini dikarenakan pengecer melihat adanya perubahan pola hidup dan cara belanja kaum urban yang menginginkan barang bermutu dengan cara yang mudah dan harga yang dianggap pantas. Perubahan cara belanja kaum urban tersebut ditanggapi pengecer dengan mengubah pola pemasaran mereka yang semula berupa 4P (*product, price, place* dan *promotion*) menjadi 4C (*customer solution, cost, convenience, dan communication*) yang lebih mengarah pada kepuasan konsumen (Kartajaya, 1996). Jadi, perusahaan pemenang adalah mereka yang dapat memenuhi kebutuhan pelanggan secara ekonomis, memberikan kenyamanan dan dengan komunikasi yang efektif (Luternborn, 1990). Untuk itu dikembangkanlah konsep toko yang memiliki suasana nyaman serta menyediakan produk-produk bermutu dengan harga yang dianggap pantas, maka munculah gagasan menjual produk dengan *private label*.

Produk-produk dengan *private label* diposisikan sebagai produk yang terjamin mutunya dengan harga terjangkau serta dikemas dalam kemasan yang menarik dan memiliki nama yang mudah diingat, tentunya *positioning* tersebut lebih ditujukan pada benak konsumen. *Positioning* bukanlah apa yang dilakukan terhadap suatu produk, melainkan apa yang dilakukan pada benak konsumen, dengan kata lain memposisikan produk ke dalam benak konsumen (Ries dan Trout, 1986).

Memang saat ini sebagian besar produk telah memiliki merek yang telah tertanam kuat di benak konsumen, namun terdapat beberapa kelompok pembeli yang bukan merupakan *brand loyalists*, maupun *routine brand buyers*. Mereka adalah kelompok yang dikategorikan sebagai *information seekers* dan *brand switchers* (Peter dan Olson, 2005). Dua kelompok inilah yang dibidik oleh pengecer untuk

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<sup>1</sup> Merupakan hasil wawancara dengan salah satu direktur Yogya Group

memasarkan produk-produk *private label* mereka. Bahkan penelitian terhadap perilaku konsumen di Amerika Serikat menunjukkan bahwa banyak konsumen percaya *private label* mutunya sebaik merek-merek produk buatan pabrik (Berman dan Evans, 2004).

Pembagian kelompok pembeli menurut Peter dan Olson adalah sebagai berikut:

- *Brand loyalists* yaitu konsumen yang memiliki keterikatan yang kuat pada suatu merek yang disukainya dan membelinya secara tetap.
- *Routine brand buyers* yaitu konsumen yang memiliki *intrinsic self-reference* yang rendah untuk suatu kategori produk, tapi mereka memiliki merek-merek favorit yang tetap dibelinya (*little brand switching*).
- *Information seekers* yaitu konsumen yang punya pengetahuan *positive means-end* mengenai kategori produk, tapi tak ada merek tertentu yang dianggapnya superior.
- *Brand switchers* yaitu konsumen yang memiliki *intrinsic self-relevance* yang rendah untuk merek dan kategori produk.

Sedangkan yang dimaksud dengan *consumers' means-end knowledge* dan *intrinsic self-relevance* adalah:

- *Consumers' means-end knowledge* adalah pengetahuan konsumen mengenai atribut suatu produk, kegunaan dan nilai yang terkandung di dalamnya.
- *Intrinsic self-relevance* mengacu pada *consumers' means-end knowledge* yang ada dalam ingatan.

### **Potensi Keuntungan *Private Label***

Menurut Doyle (1994), agar produk-produk dengan *private label* menguntungkan, ia harus memenuhi kombinasi dari *effective product* (P), *distinctive identity* (D) dan *added values* (AV). Maka dari itu, pemilihan produk-produk mana saja yang akan dijadikan produk ber-*private label*, identitas khusus dalam bentuk pemberian mereka yang tepat, dan nilai tambah yang ditawarkan pada konsumen adalah sesuatu yang penting.

*Profit margin* per unit *private label* biasanya rendah karena produk dijual dengan harga murah, namun dengan tingkat penjualan yang tinggi akan diperoleh *total profit margin* yang besar untuk produk-produk *private label* tersebut. Hal ini tentunya harus didukung jumlah pasokan yang memadai. Dengan jaringan toko berjumlah besar yang dimiliki perusahaan ritel, citra yang dimiliki dan kemampuannya dalam berpromosi, tingkat penjualan yang tinggi bukanlah hal yang sulit untuk dicapai. Argumen tentang tingkat penjualan *private label* yang tinggi ini didukung oleh kenyataan bahwa di supermarket Amerika Serikat produk-produk *private label* menduduki peringkat merek no.1, 2, dan 3 pada lebih dari 40% dari semua produk kategori bahan makanan (Peter dan Donnelly, 2004).

### **Langkah Pemilihan Produk yang Potensial Dijadikan *Private Label***

Dalam menentukan produk-produk mana yang akan dijadikan *private label*, langkah pertama harus mengenal karakteristik produk dan budaya setempat karena terdapat sejumlah produk yang sudah tertanam kuat di benak konsumen dan dianggap sebagai suatu panutan, bisa juga produk tersebut adalah produk yang berkenaan dengan kesehatan dan perawatan tubuh. Produk-produk tersebut adalah rokok,

kosmetik, obat bebas, mie siap saji, minuman ringan, dan *toiletries* (sabun mandi, pasta gigi, shampo, dan sebagainya), produk-produk ini sulit untuk disaingi oleh produk-produk dengan *private label*.

Langkah kedua adalah melihat data penjualan setiap periode untuk setiap kategori produk, bisa itu kategori produk *fresh food*, *food* dan *non-food*. Data penjualan ini biasanya tersimpan pada *Mainframe Management Information System* di kantor pusat perusahaan ritel, dan untuk mengaksesnya perlu ijin khusus karena tidak setiap orang diberikan wewenang untuk mengakses data tersebut.

Langkah ketiga adalah menyusun sepuluh besar penjualan terbanyak dan membuat *trend* penjualan dari masing-masing kategori produk di atas. Langkah keempat adalah menentukan produk-produk mana dari tiap-tiap kategori yang akan dijadikan *private label* berdasarkan sepuluh besar penjualan (*top ten sales*) dan *trend* penjualannya. Langkah kelima adalah menentukan nama merek (*brand name*), bentuk serta warna kemasan.

### **Proses Pemilihan Pemasok *Private Label***

Salah satu hal terpenting dalam mempersiapkan *private label* adalah menentukan pemasok (*supplier*) barang yang akan dijadikan *private label* tersebut. Penentuan pemasok ini didasarkan pada:

1. Kesesuaian mutu produk yang dipasok dengan spesifikasi yang dijadikan standar. Mutu produk harus sesuai standar yang berlaku, biasanya dipakai SNI sebagai acuannya. Selain untuk mencegah keluhan dari konsumen juga untuk menjaga citra perusahaan.
2. Tingkat konsistensi mutu produk yang dipasok. Adakalanya mutu produk yang pertama kali dipasok memang sesuai standar, namun lama kelamaan (bila tanpa adanya pengawasan) mutu produk yang dipasok ada di bawah standar.
3. Harga yang ditawarkan yaitu harga yang bersaing dengan mutu produk tertentu tentunya penting bagi perusahaan ritel karena margin laba yang diperoleh harus cukup signifikan meskipun produk-produk *private label* tersebut (tentunya) dijual dengan harga lebih rendah dari produk sejenis yang bermerek terkenal.
4. Jumlah produk yang bisa dipasok. Seperti telah dikemukakan sebelumnya, tingkat penjualan yang tinggi diperlukan untuk memperoleh *total profit margin* yang besar untuk produk-produk *private label* tersebut. Hal ini tentunya harus didukung jumlah pasokan yang memadai.
5. Jangka waktu kelangsungan pasokan. Produk-produk ber-*private label* tentunya tidak dimaksudkan untuk muncul hanya sesaat saja, akan tetapi pada jangka panjang produk-produk dengan *private label* inilah yang ingin dijadikan sebagai produk unggulan dan sumber laba bagi perusahaan. Untuk itu, jangka waktu kelangsungan pasokan dari pemasok juga perlu dipertimbangkan.

### **Analisis SWOT pada Produk *Private Label* di Supermarket Yogya**

Analisis SWOT adalah identifikasi berbagai faktor secara sistematis untuk merumuskan strategi perusahaan. Rangkuti (2000) menyatakan bahwa analisis ini didasarkan pada logika yang dapat memaksimalkan kekuatan (*strengths*) dan peluang (*opportunities*), namun secara bersamaan dapat meminimalkan kelemahan (*weaknesses*) dan ancaman (*threats*).

Untuk melengkapi pembahasan mengenai *private label*, berikut ini adalah suatu analisis yang pernah penulis lakukan di Supermarket Yogya di kota Bandung antara lain: Yogya Kepatihan, Yogya BIP, dan Yogya Trunojoyo dari awal tahun 2006 sampai bulan Juni 2006. Adapun analisis yang digunakan hanya sebatas analisis *Strengths, Weaknesses, Opportunities* dan *Threats*.

Sejumlah kekuatan (*strengths*) yang dimiliki produk-produk *private label* Yogya adalah:

1. Kualitas barang yang terjamin disertai penetapan harga yang terjangkau.
2. Produk yang dijadikan *private label* adalah produk-produk generik sehingga biaya promosi dapat ditekan serta produk-produk yang dijual bukan produk yang memiliki *brand image* yang kuat.

Hal tersebut tentunya tak lepas dari usaha dan kerja keras pihak manajemen yang selama bertahun-tahun menjaga tingkat kualitas barang yang dijual dan jeli dalam memilih produk-produk yang akan dijadikan *private label* sehingga memberikan kepuasan pada pelanggan Yogya.

Namun produk-produk *private label* Yogya ini juga memiliki beberapa kelemahan (*weaknesses*) antara lain:

1. Beberapa toko belum menempatkan produk-produk *private label* yang ada pada ruang tertentu, sehingga konsumen sulit membedakan mana produk yang merupakan produk *private label* dan mana yang merupakan produk kemasan produsen.
2. Tidak adanya ciri khas khusus pada kemasan yang menjadi *eyespot* pembeli sehingga konsumen sulit membedakan produk-produk *private label* Yogya dengan produk yang lain.
3. Belum bervariasinya produk-produk *private label* yang ada.
4. Beberapa produk *private label* Yogya tidak memiliki diferensiasi yang berarti dibanding produk-produk sejenis di pasaran.

Sedangkan peluang-peluang (*opportunities*) produk-produk *private label* Yogya adalah:

1. Banyak pemasok yang menawarkan kerjasama dengan Yogya untuk membuat *private label*, hal ini tentunya memudahkan dalam memilih pemasok yang berkualitas.
2. Konsumen makin sadar bahwa produk-produk *private label* (baik yang ada di Yogya maupun pengecer lainnya) yang ada memiliki kualitas yang baik sebanding dengan harganya.
3. Produk-produk *private label* Yogya dapat dikemas dengan menggunakan warna-warna dan bentuk grafis yang menarik pembeli sehingga diyakini akan meningkatkan penjualan.

Adapun berbagai ancaman (*threats*) produk-produk *private label* Yogya adalah:

1. Beberapa produk *private label* yang ada sekarang ini memiliki distributor yang juga merupakan pemasok dari produk sejenis di Yogya, sehingga hal ini dapat menimbulkan dualisme kepentingan.
2. Para pesaing Yogya, seperti Makro dan Carrefour, telah berani meluncurkan produk-produk *private label* yang bukan berasal dari produk generik, seperti: lampu bohlam, pembersih lantai, dan sambal.

3. Para pesaing Yogya lebih berani dalam mempromosikan produk-produk *private label* di selebaran (*leaflets*) yang dikirimkan ke rumah konsumen.
4. Belum adanya *space* khusus yang dapat digunakan untuk menonjolkan produk-produk *private label* menjadikan produk *private label* kalah menonjol dibanding produk konsinyasi.

### **Kesimpulan**

Pertumbuhan bisnis ritel dari tahun ke tahun terus menunjukkan peningkatan. Bahkan saat berlangsung krisis ekonomi di kawasan Asia, bisnis ritel di kawasan ini masih sanggup menanggung laba. Indonesia yang memiliki jumlah penduduk sangat banyak merupakan target pemasaran pebisnis ritel dunia seperti Carrefour dan Wal-Mart, untuk itu pebisnis ritel nasional harus mengantisipasi ketatnya persaingan dengan terus-menerus melakukan inovasi. Salah satu bentuk inovasi yang diadaptasi dari mancanegara adalah dengan meluncurkan produk-produk *private label*.

Pengawasan dan penanganan produk-produk *private label* harus lebih ditingkatkan, karena *private label* mewakili citra perusahaan, untuk itu pemilihan pemasok yang terpercaya dan melakukan analisis antara lain menggunakan analisis SWOT secara rutin perlu dilakukan.

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## The effect of store image and service quality on brand image and purchase intention for private label brands

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### ARTICLE INFO

#### Article history:

Available online 17 December 2010

#### Keywords:

Store image  
Service quality  
Private label brand  
Perceived risk  
Price consciousness  
Purchase intention

### ABSTRACT

This study aims to investigate the direct effects of store image and service quality on brand image and purchase intention for a private label brand (PLB). This study also investigates the indirect effects mediated by perceived risk and price consciousness on these relationships.

The sample in this study consisted of three hundred and sixty (360) customers of the Watsons and Cosmed chain of drugstores. The pre-test results identified “Watsons” and “My Beauty Diary” as the research brands of the PLB for the two stores, respectively. This study uses LISREL to examine the hypothesized relationships.

This study reveals that (1) store image has a direct and positive effect on the purchase intention of the PLB; (2) service quality has a direct and positive effect on the PLB image; (3) the perceived risk of PLB products has a mediating effect on the relationship between the brand image and the consumers purchase intention of the PLB.

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### 1. Introduction

Private label brands, also known as store brands, are brands owned by the distributor and sold in an exclusive store (Kotler and Armstrong, 1996). As the scale of modern distributors grows, their ability to bargain with manufacturers becomes stronger. In addition, as the economic downturn causes a reduction in consumer income, distributors aggressively build a PLB to increase profits and differentiation (Quelch and Harding, 1996; Richardson et al., 1996). One of the causes for an expanding PLB is that the manufacturers commit to promoting the brand image and transfer the costs to the customers. This raises prices and allows the distributors to participate in the market with lower prices. The annual sales revenue of the PLB worldwide approaches 1 trillion US dollars, and this amount is still increasing (Kumar and Steenkamp, 2007). For retail stores, apart from establishing the differentiation, a PLB can also retain customers and increase yield rate (Hoch, 1996; Private Label Manufacturers' Association (PLMA), 1999; Richardson et al., 1996). Therefore, developing a PLB becomes an important strategy for distributors.

Previous studies about the PLB can be divided into two categories. The first category addresses the proneness between the PLB

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versus national brand promotion (c.f. Hoch, 1996; Narasimhan and Wilcox, 1998; Quelch and Harding, 1996). Ailawadi et al. (2001) and Garretson et al. (2002) further identified some similarities and differences between the two groups. The second category discusses the factors that influence customer attitude towards, or consumption of the PLB (c.f. Baltas, 2003; Batra and Sinha, 2000; Burton et al., 1998; Richardson et al., 1996). Research factors appearing in studies in the second category mostly focus on product-level factors and consumer-level factors. Studies on the product-level factors examine product category (DelVecchio, 2001) and perceived risk (Semeijn et al., 2004), whereas studies on the consumer-level factors examine price consciousness (Burger and Schott, 1972; Jin and Suh, 2005; Sinha and Batra, 1999) and reliance on extrinsic cues (DelVecchio, 2001; Batra and Sinha, 2000).

Although previous studies rarely discuss store-level factors, they are becoming increasingly important (Semeijn et al., 2004). Collins-Dodd and Lindley (2003) and Vahie and Paswan (2006) found that when consumers are unfamiliar with the PLB, they use the store image as the cues for purchasing a PLB. Drawing from attribution theory (Sawyer and Dickson, 1984), the combination of continuously low prices and infrequent professionally developed advertising campaigns might contribute to the traditional belief that the quality of private brands is worse than national brands. Therefore, a store and brand image is a means for reducing these quality associations and extending the PLB's appeal beyond price sensitive segments. For example, 7-Eleven uses the “Open-Chan” (a promotional figure toy) as a symbol to communicate a friendly



store image and enhance the image of its PLB and to attract younger consumers (Qiu, 2006). The service quality of the store is also an important factor influencing the purchasing behavior of customers (Carrillat et al., 2009). Ailawadi and Keller (2004) asserted that retailers could create their brand image by attaching unique association to the quality of their service. Cosmed, a popular chain of drugstores in Taiwan, ensures good quality service by providing consumers with a pleasant physical service environment and a nice shopping experience, successfully enhancing its PLB image (Gao, 2010). However, few previous studies investigate these two factors in the PLB context. This study attempts to fill this gap, at least partially, by examining the effect of the two extraneous variables (store image and service quality) on the brand image and purchase intention of the PLB.

Consumers choose the brand with a better image to reduce the perceived risk. This affects the level of price consciousness and on the purchase intention (Dowling and Staelin, 1994; Rothe and Lament, 1973; Sinha and Batra, 1999). Therefore, perceived risk and price consciousness may be the mediator for the PLB image and the purchase intention. However, previous related empirical studies are rare and they primarily focus only on the mediating effect of price consciousness (Tseng and Hwang, 2003). Another contribution of this study is to integrate and examine the direct and indirect effects mediated by both the perceived risk (a product-level factor) and price consciousness (a consumer-level factor) of the PLB image on purchase intention.

In summary, this study investigates the direct effects of store image and service quality on brand image and purchase intention for the private label brand. This paper also then examines the indirect effects mediated by perceived risk and price consciousness on these relationships. Fig. 1 displays the conceptual framework of this study.

## 2. Theory and hypotheses

### 2.1. Research variables

#### 2.1.1. Store image

Martineau (1958) introduced the concept of store image and defined it as the way in which the shopper's mind pictures the store, partly by its functional qualities and partly by its atmosphere of psychological attributes. James et al. (1976), on the other hand, defined store image as "a set of attitudes based upon evaluation of those store attributes deemed important by consumers." Grewal et al. (1998) mentioned that a store's consuming environment, service level, and product quality are so-called store image. In

summary, store image is the perception of consumers based on the multi-attributes of a store. This study defines store image as the overall attitude consumers derive from the intrinsic and extrinsic characteristics of the store.

#### 2.1.2. Service quality

Chakrabarty et al. (2007) defined service quality as the conformance to customer requirements in the delivery of a service. The service gap model (the PZB model) established by Parasuraman et al. (1985) defines service quality as the overall evaluation attitude. This is the degree and direction of discrepancy between consumers' perceptions and their expectation of what is actually delivered. This study adopts the concept of Cronin and Taylor (1992) and uses the actual customers perceived quality as the service quality index. The concept is simple, easy to measure (Brady et al., 2002; Brown et al., 1993; van Dyke et al., 1997), and the effect is the same. For the dimensions of service quality, this study adopts Brady and Cronin (2001), and Rust and Oliver's (1994) assertion that used the overall perception of service quality on the customer's evaluation of three dimensions of the service encounter as the basis for measuring service quality. The dimensions are: (1) interaction quality – the interaction between customers and staffs; (2) service environment quality – the overall atmosphere of the store and the service environment; and (3) outcome quality – the actual service customers receive.

#### 2.1.3. Private label brand image

Aaker (1991) defined brand image as a series of brand associations stored in a consumer's memory. Keller (1993) defined brand image as the sum the total of brand associations held in the memory of the consumers that led to perceptions about the brand. Keller also classified the associations of brand image into quality dimension and affective dimension. Based on the above research, the PLB image in this study is the association consumers add to PLB products, which leads to perceptions of the PLB.

#### 2.1.4. Perceived risk

The term "perceived risk" originated in the field of psychology. Bauer (1960) believed consumer behavior involves risk in the sense that any action of a consumer will produce consequences that he or she cannot anticipate with anything approximating certainty, and some of which are likely to be unpleasant. This concept is based on the concept of the expected loss produced subjectively due to consumer's uncertainty towards the product or service (Stone and Gronhaug, 1993; Sweeney et al., 1999). Cox (1967) further measured perceived risk as a function of the uncertainty of the

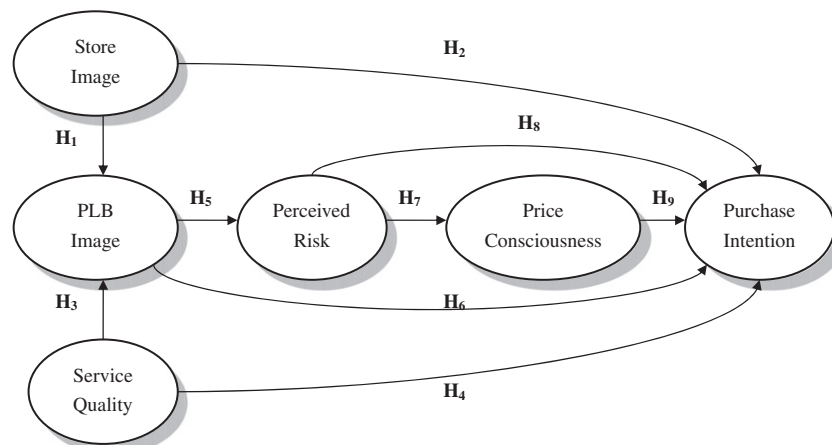


Fig. 1. Conceptual framework.

purchase outcomes (in terms of subjective probability) and the consequences associated with unfavourable purchase outcomes. Based on the above literatures, this study defines perceived risk as consumers facing products or services they are not certain of because of some kind of expected loss in mind. This causes unhappiness or unbalance.

#### 2.1.5. Price consciousness

When consumers make a purchase decision focused exclusively on paying low prices, it is price consciousness (Lichtenstein et al., 1993). This occurs when the consumer is unwilling to pay for a higher price for the distinguishing features of a product (Lichtenstein et al., 1993; Monroe and Petrosius, 1981; Sinha and Batra, 1999). They tend to adopt low cost strategies and use price as the judgment standard for purchasing. Low price is often one of the characteristics of the PLB and often becomes the predictor of the PLB purchase (Burger and Schott, 1972; Lichtenstein et al., 1993; Moore and Carpenter, 2006). In summary, this paper defines price consciousness as the level consumers value for price when choosing a certain product.

#### 2.1.6. Purchase intention

Purchase intention represents the possibility that consumers will plan or be willing to purchase a certain product or service in the future. An increase in purchase intention means an increase in the possibility of purchasing (Dodds et al., 1991; Schiffman and Kanuk, 2007). Researchers can also use purchase intention as an important indicator for estimating consumer behavior. When consumers have a positive purchase intention, this forms a positive brand commitment which propels consumers to take an actual purchase action (Fishbein and Ajzen, 1975; Schiffman and Kanuk, 2007).

## 2.2. Hypotheses development

### 2.2.1. The effect of store image on the PLB image and purchase intention

When a certain PLB is not popular, consumers speculate the PLB image from the image of the retail store (Vahie and Paswan, 2006). This is because many people can view the PLB as an extension of the brand name of the store itself. Consumers would then use the store image as one of the extrinsic cues to judge the PLB (Ailawadi and Keller, 2004; Collins-Dodd and Lindley, 2003). When consumers have a high perception of a store image, it creates a positive effect on the brands carried by the store (Dhar and Hock, 1997; Pettijohn et al., 1992). Agrawal et al. (1996) and Dhar and Hock (1997) mentioned that a store image influences the judgment of its PLB image. Vahie and Paswan's (2006) research results confirm that the quality dimension of the store image affects the quality and affection dimensions of the PLB image.

In summary, the cue utilization theory suggests that a store image can be a determinant of product quality (Dawar and Parker, 1994). Furthermore, the brand extension literature supports the notion that store associations can generalize to the store's brands (Collins-Dodd and Lindley, 2003). Moreover, when consumers are unfamiliar with the brand, the store image is often one of the biggest cues for quickly judging the PLB. Therefore, store image has a direct and positive relationship with consumers' purchase intention for PLB. The more positive a store image, the higher the consumers' purchase intention would be (Dodds et al., 1991; Grewal et al., 1998). Based on the preceding discussion, the following hypotheses are advanced.

H1: Store image has a positive effect on the PLB image.

H2: Store image has a positive effect on the purchase intention of the PLB.

### 2.2.2. The effect of service quality on the PLB image and purchase intention

For an unfamiliar PLB, consumers also speculate about their image from the service quality of the store (Agrawal et al., 1996; Dhar and Hock, 1997). Good service quality would increase consumers' satisfaction with the store (Anderson et al., 1994; Carrillat et al., 2009; Parasuraman et al., 1985). Therefore, when consumers have a good image of the store from their quality of service, they simultaneously form a positive PLB image.

Service quality is one of the important factors affecting consumer decisions. Therefore, there is a connection between service quality and behavioral intention (Brady et al., 2002). Better service leads to a positive behavioral intention and increases the purchase intention of the consumers and the frequency of going to the store (Carrillat et al., 2009; Cronin and Taylor, 1992; Fornell, 1992; Szymanski and Henard, 2001; Zeithaml et al., 1996). This indicates that when a store provides good service quality, consumer satisfaction with the store increases, and the purchase intention of the PLB products in the store also increases. Based on the preceding discussion, the following hypotheses are advanced.

H3: Service quality has a positive effect on the PLB image.

H4: Service quality has a positive effect on the purchase intention of the PLB.

### 2.2.3. The effect of the PLB image on perceived risk and purchase intention

Since there are limits to the vending locations and advertising for the PLB, the information related to the PLB products consumers possess is not as complete as the national brand products. Therefore, consumers use extrinsic cues, such as brand image and prices, as the references for evaluating the store's PLB to reduce the perceived risk of the PLB products (Shimp and Bearden, 1982; Perry and Perry, 1976). When consumers perceive that the brand image is getting better, they have a lower perceived risk (Cox, 1962; Kotler and Keller, 2008; Roselius, 1971). Private label brands can also improve their image to reduce the perceived risk (Dowling and Staelin, 1994). A good image of the PLB can be used as the tool to differentiate themselves from other stores, enhance customer loyalty, and increase profits (Hoch, 1996; Levy and Weitz, 2004; Marcel, 2000; Richardson et al., 1996). For brands with a good image, consumers have a more positive attitude towards the brand and a higher purchase intention (Kamins and Marks, 1991; Laroche et al., 1996; Romaniuk and Sharp, 2003). An increase in the PLB image enhances the purchase intention of the consumer. Based on this discussion, the following hypotheses are advanced.

H5: The better the PLB image, the lower the perceived risk of the consumers towards the PLB products.

H6: The better the PLB image, the higher the purchase intention of the consumers.

### 2.2.4. The effect of perceived risk on price consciousness and purchase intention of PLB

Price can become a tool for reducing risk (Erevelles et al., 1999). When the perceived risk of a product is high, the consumers become concerned with the risks of purchasing the product. This produces a high "price-quality" association and consumers perceive high price to mean high quality, which means a reduction in the price consciousness. They choose the product with higher prices to avoid risks. On the contrary, when the perceived risk of a product is low, it produces a low "price-quality" association and increase consumer price consciousness. They are now motivated to find low priced products (Kukar-Kinney et al., 2007; Lichtenstein et al., 1988; Sinha and Batra, 1999).

Consumers tend to avoid risks (Bauer, 1960), meaning that when they perceive risks that seriously affect the purchase decision, they often experience decreased purchase intention.

Perceived risk then is a crucial factor in PLB purchase (Bettman, 1974). Therefore, if consumers perceive high risk for an unfamiliar brand (e.g. PLB), it lowers their price consciousness and reduces their purchase intention (Tseng and Hwang, 2003). They are now not motivated to search for products with lower prices and tend to purchase products from a national brand. However, when the perceived risk is low, the price consciousness increases and the purchase intention for the PLB products are higher (Bettman, 1974; Jacoby and Kaplan, 1972; Narasimhan and Wilcox, 1998; Richardson et al., 1996; Shimp and Bearden, 1982; Taylor, 1974). Based on the preceding discussion, the following hypotheses are advanced.

H7: The perceived risk consumers have towards PLB products has a negative effect on price consciousness of the consumers.

H8: The perceived risk consumers have towards PLB products has a negative effect on the purchase intention of PLB.

#### 2.2.5. The effect of price consciousness on purchase intention of PLB

Price consciousness is a predictor of a PLB purchase (Burger and Schott, 1972). A high price consciousness means consumers tend to adopt low price purchasing tactics (Moore and Carpenter, 2006). Low price is one of the important factors that attract consumers to purchase PLB products. This leads to an increase in the probability of consumers to purchase PLB products (Batra and Sinha, 2000; Burton et al., 1998; Lee, 2008; Tseng and Hwang, 2003; Huang, 2007). Based on this discussion, the following hypothesis is advanced.

H9: As the price consciousness of a consumer increases, the purchase intention for the PLB will also increase.

### 3. Method

#### 3.1. Measures and measurement

The following section summarizes the measurement scales, which are considered valid and reliable, and have been adapted from previous studies (see Appendix).

##### 3.1.1. Store image

This study treats the store image as a five-dimensional construct consisting of product variety, product quality, price, value for money, and store atmosphere (Collins-Dodd and Lindley, 2003), which is similar to Ailawadi and Keller's (2004) five-dimensional classification. Product variety refers to a consumer evaluation of the variety of product types in the store. Product quality refers to consumers' subjective evaluation regarding the quality of the products. Price refers to consumers' judgment of the cheapness of the products. Value for money refers to consumers' judgment regarding the relation between the value and price of the products. The store atmosphere refers to consumers' feeling about the atmosphere of the interior decoration of the store. The scale developed by Collins-Dodd and Lindley also includes the overall attitude of the store image.

##### 3.1.2. Service quality

Service quality is a high-order construct consisting of three sub-dimensions, interaction quality, service environment quality, and outcome quality (Brady and Cronin, 2001). Interaction quality refers to consumers' evaluation of the quality when interacting with the staffs, service environment quality refers to consumers' judgment about the overall environment of the store, whereas outcome quality refers to consumers' evaluation of the purchase experience in the store. This study measures service quality using a 6-item scale on the three dimensions.

##### 3.1.3. PLB image

This study treats the PLB image as a two-dimensional construct that encompass quality and affection (Keller, 1993). Quality refers to the cognition of the quality of the PLB products, whereas affection refers to preference or satisfaction regarding the PLB. Researchers measure the PLB image using the 5-item scale developed by Vahie and Paswan (2006), which measures the PLB image on the dimensions of quality and affection.

##### 3.1.4. Perceived risk

This study uses the three main risk dimensions (financial risk, functional risk, and physiological risk) and the scale developed by Stone and Gronhaug (1993) for measurement. Financial risk is the perceived possibility that the price of the product purchased is higher than its value, which causes money loss. Functional/performance risk refers to the possibility of the product being unable to provide consumers the expected benefit. Physiological/body risk refers to the possibility of the product being harmful to consumers' body when they purchase a faulty product or when the product will be over-used. Nine items encompassing these three dimensions were adapted to measure perceived risk of PLB products.

##### 3.1.5. Price consciousness

This study measures price consciousness using the 4-item scale developed by Sinha and Batra (1999).

##### 3.1.6. Purchase intention

This study adapts the 2-item scale established by Knight and Kim (2007) to measure the purchase intention of the PLB.

All items used for measuring constructs of sub-dimensions were measured on a 7-point Likert scale anchored by "1 = Strongly Disagree" and "7 = Strongly Agree" (see Appendix).

#### 3.2. Research design

People have a tendency to pay attention to their own health (Schiffman and Kanuk, 2007). Drugstores, which are in vigorous development, are retail stores that satisfy the pursuit of this type of lifestyle. According to a survey taken by AC Nielsen (2007), 74% of Taiwanese consumers buy health and beauty products in drugstores. Previous studies focused on PLB mainly looked at hypermarkets. Therefore, this study chooses drugstores as the research industry to enhance the external validity of PLB research. This study selects the two most popular chains of drugstores in Taiwan as the research stores. This includes surveys conducted with the use of questionnaires. Initially, researchers conduct a pre-test with the purpose of understanding consumers' purchase status for the PLB products in these two drugstores and their impression regarding the PLB. There were 40 questionnaires collected from these two drugstores. This study selects the PLB from these two drugstores that found most impressive, as the research brands for the main study- Watsons' "Watson's" (impressed ratio 85%) and Cosmed's "My Beauty Diary" (impressed ratio 60%) are chosen as the research PLB from the results of the pre-test.

The respondents for the main study consist of consumers from Watsons and Cosmed in Taipei area. This study selects four retail stores of each of these two drugstores by random sampling and distributes 50 questionnaires in each store. The final sample was selected using a systematic design. Every fifth consumer was asked to participate in the study, after a random starting point. There were 400 questionnaires distributed, of which, 360 effective questionnaires returned (175 from Watsons, 185 from Cosmed). The sample contained a higher proportion of females (79.7%) than males (20.3%). A large percentage of younger consumers, aged 21–30 years, was also included in the sample (71.7%). Although the sample was skewed towards women and younger consumers,

this is not uncommon in Taiwan’s drugstore sample, as evidenced from a large-scale online survey (Pollster Online Survey, 2009).

**4. Results**

**4.1. Structural equation model**

This study adopts structural equation modeling (SEM) for data analysis, using the software LISREL (Joreskog and Sorbom, 1986). There were sub-dimensions for three constructs, service quality, PLB image, and perceived risk, in this study. All of the Cronbach’s  $\alpha$  of each of the sub-dimensions were greater than 0.7 (0.795–0.950), which indicates high reliability (Nunnally, 1987). Therefore, this study uses the composite variable approach to reduce the number of parameters and simplify the data analysis. The average of the variables under each sub-dimension is the observation variable for that sub-dimension. Fig. 2 shows the SEM model of this study. Complete SEM consists of a measurement model and structural model. The measurement model verifies the reliability and validity measured by latent variables. The structural model verifies the causal relationships between the hypotheses. Therefore, researchers carry out the data analysis of this study in two stages (Anderson and Gerbing, 1988).

**4.1.1. Measurement model**

Table 1 shows that the factor loadings ( $\lambda$ ) for each of the observation variables exceed the cut-off value of 0.5 (0.54–0.95) and the  $t$  values are all larger than 2.567 ( $p < 0.01$ ). Therefore, this provides evidence of convergent validity. Apart from the average variance extracted (AVE) of the store image being slightly smaller than 0.5, the AVE of the remaining five latent variables exceeds 0.5. In addition, Table 2 indicates that apart from the square-root of AVE of store image (0.68) being slightly smaller than the correlation coefficient between store image and service quality (0.76),

the square-roots of AVE of other latent variables were larger than the absolute values of the correlation coefficients among the latent variables. This provide evidence of discriminant validity (Fornell and Larcker, 1981). The composite reliability (CR) (See Table 1) of each latent variable exceeds the suggested cut-off value of 0.7, indicating that the reliability of all constructs was good (Bagozzi and Yi, 1988; Hair et al., 1998). Table 3 displays the descriptive statistics for the variables.

**4.1.2. Structural model**

Model A in Table 4 presents the model-fit results of LISREL analysis. Though these results are adequate, there remains some room for model modification. The modification index (MI) between PLB image and price consciousness (7.47) was larger than 5, which indicates there may be a causal relationship between them. When including this parameter, the model-fit slightly improved (Model B). However, this resulted in a positive effect of perceived risk on price consciousness, which contradicts the theory. Therefore, this study abandons Model B.

The results of Model A reveal that the PLB image influence the consumers price consciousness through perceived risk, but price consciousness does not affect the purchase intention of the PLB. Therefore, this study deletes price consciousness from the model to compare the difference between the relationship of perceived risk and purchase intention, without (Model C) or with (Model A) the mediator, price consciousness. The results show that the model-fit of Model C was worse than Model A. Therefore, this paper refers to Model A as the final result, and Fig. 3 shows the structural model. These results support H2, H3, H5, H7, and H8, but not H1, H4, H6, and H9.

Fig. 3 shows that marketers can directly improve the PLB image by enhancing the service quality of the store. In addition, improving PLB image helps to reduce the perceived risk of the PLB, which directly increases the purchase intention of the consumers towards

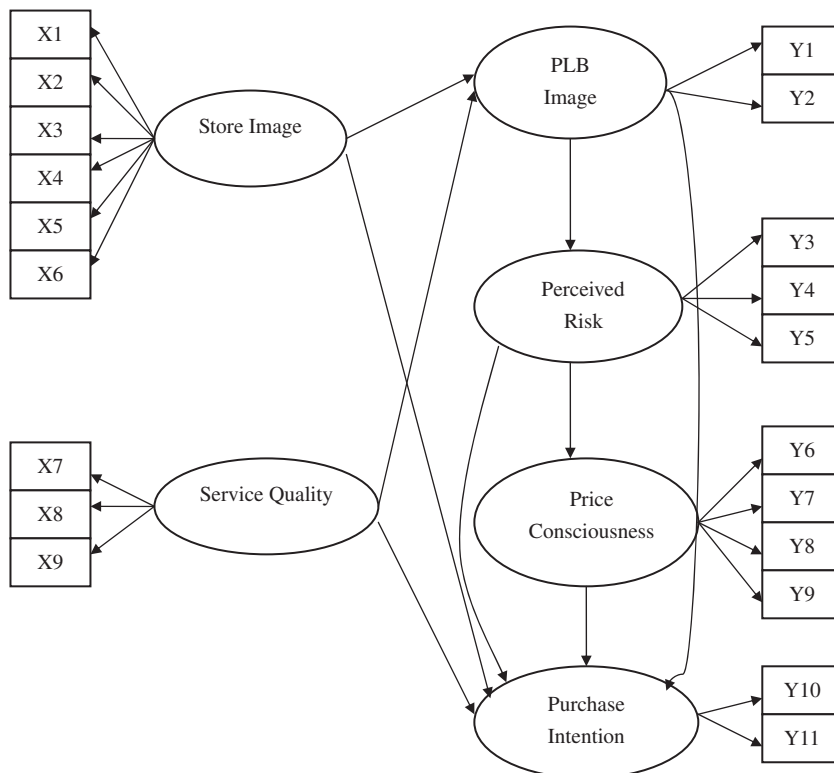


Fig. 2. Linear structural equation model of research variables.

**Table 1**  
Reliability and validity analysis.

Latent variables	Observation variables	$\lambda$	T value	Error term	SMC <sup>a</sup>	CR	AVE
Store image	X1	0.58	11.28	0.67	0.33	0.83	0.46
	X2	0.68	13.81	0.54	0.46		
	X3	0.54	10.47	0.71	0.29		
	X4	0.64	12.85	0.59	0.41		
	X5	0.71	14.75	0.49	0.51		
	X6	0.85	19.14	0.27	0.73		
Service quality	X7	0.72	14.82	0.49	0.51	0.82	0.64
	X8	0.84	18.46	0.30	0.70		
	X9	0.84	18.37	0.30	0.70		
PLB image	Y1	0.79	17.33	0.37	0.63	0.83	0.72
	Y2	0.89	20.43	0.20	0.80		
Perceived risk	Y3	0.72	15.07	0.48	0.52	0.83	0.62
	Y4	0.92	20.82	0.16	0.84		
	Y5	0.70	14.42	0.51	0.49		
Price consciousness	Y6	0.74	16.18	0.45	0.55	0.91	0.71
	Y7	0.77	17.07	0.40	0.60		
	Y8	0.95	23.50	0.10	0.90		
	Y9	0.89	21.19	0.21	0.79		
Purchase intention	Y10	0.93	22.59	0.13	0.87	0.94	0.89
	Y11	0.95	23.29	0.10	0.90		

<sup>a</sup> SMC = squared multiple correlations.**Table 2**  
Correlation coefficient of latent variables.

Latent variables	1 Store image	2 Service quality	3 PLB image	4 Perceived risk	5 Price consciousness	6 Purchase intention
1	(0.68) <sup>a</sup>					
2	0.76 <sup>***</sup>	(0.80) <sup>a</sup>				
3	0.31 <sup>***</sup>	0.44 <sup>***</sup>	(0.85) <sup>a</sup>			
4	-0.27 <sup>***</sup>	-0.37 <sup>***</sup>	-0.78 <sup>***</sup>	(0.79) <sup>a</sup>		
5	0.04	0.16 <sup>**</sup>	0.20 <sup>***</sup>	-0.09	(0.84) <sup>a</sup>	
6	0.47 <sup>***</sup>	0.50 <sup>***</sup>	0.79 <sup>***</sup>	-0.60 <sup>***</sup>	0.18 <sup>**</sup>	(0.94) <sup>a</sup>

\*  $p < 0.05$ , \*\*  $p < 0.01$ , \*\*\*  $p < 0.001$ .<sup>a</sup> Diagonal value indicated the square root of AVE of individual latent variable.**Table 3**  
Descriptive statistics of variables and sub-dimensions.

Latent variables	Mean	Standard deviation	Sub-dimensions	Mean	Standard deviation
Store image	4.863	1.145			
Service quality	4.640	1.195	Interaction quality	4.583	1.255
			Service environment quality	4.608	1.213
			Outcome quality	4.731	1.117
PLB image	4.613	1.226	Quality	4.688	1.240
			Affective	4.502	1.207
Perceived risk	3.754	1.343	Financial risk	3.208	1.235
			Performance risk	3.938	1.380
			Physical risk	4.118	1.415
Price consciousness	4.690	1.519			
Purchase intention	4.015	1.373			

**Table 4**  
Comparison of model fit.

Index	Suggested value	References	Model A	Model B	Model C
$\chi^2/d.f.$	$\leq 3.0$	Hayduck (1987)	3.76	3.72	5.10
AGFI	$\geq 0.9$	Scott (1994)	0.81	0.81	0.79
CFI	$\geq 0.9$	Bagozzi and Yi (1988)	0.94	0.94	0.93
NNFI	$\geq 0.9$	Bentler and Bonett (1980)	0.92	0.92	0.91
NFI	$\geq 0.9$	Bentler and Bonett (1980)	0.92	0.92	0.92
IFI	$\geq 0.9$	Bentler and Bonett (1980)	0.94	0.94	0.93
RMSEA	$\leq 0.08$	Jarvenpaa et al. (2000)	0.088	0.087	0.107

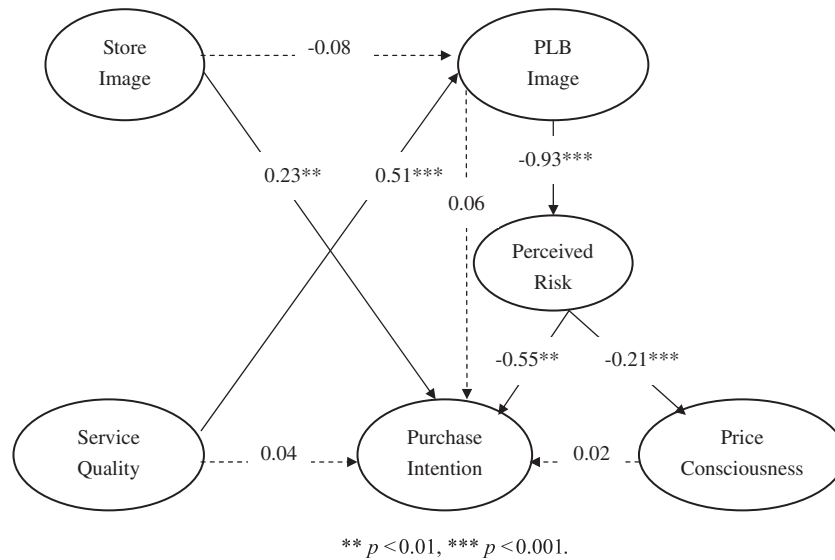


Fig. 3. Ultimate path results of hypotheses.

the PLB. Marketers can also directly increase the purchase intention of the consumers for the PLB by improving the store image. The PLB image affects the price consciousness and purchase intention of the consumers towards the PLB through the mediating of perceived risk of PLB products. The direct relationship between the PLB image and the purchase intention of the PLB is not significant.

Table 5 summarizes the effects of the ultimate path (Model A). The total effect is the sum of the direct and indirect effect. The total effect reveals that among the variables that affect the purchase intention of the PLB, the effects of the PLB image and the perceived risk (negative) of the PLB products are the largest. Among the store-level factors, the effect of service quality on the purchase intention of the PLB is larger than the store image.

## 5. Conclusion and discussions

### 5.1. Research results

The existing literature suggests that the image and service quality of the store will respectively affect the image and purchase intention of the PLB. The results of this research shows that when simultaneously examining these relationships, the store image directly affects the purchase intention of PLB (H2), but not PLB image (H1); on the contrary, service quality directly affects the PLB image (H3), but not the purchase intention of PLB (H4). These results also show that compared with store image, service quality is better able to positively influence the purchase intention of PLB (See Table 5).

However, it is necessary to mediate this effect by enhancing the PLB image (H3) and reducing the perceived risk of the PLB products (H5). Contrarily, the store image can directly affect the purchase intention of the PLB products. Therefore, it is clear that the store image directly affects the sales volume of the products (including PLB products) in the store. However, service quality can only affect the purchase intention of the PLB products indirectly through the PLB image. Furthermore, since both the store image and the PLB image have a positive influence on the purchase intention of the PLB, it implies that when consumers are making decision about the purchase of a PLB, the images of the store and of PLB play very important roles.

Previous studies suggest that PLB image directly or indirectly affects the purchase intention of PLB. This study shows that when simultaneously examining these two effects, the indirect effect through the mediation of perceived risk (H5 and H8) outperforms the direct effect (H6). The study also verifies the negative effect of perceived risk on consumers' price consciousness (H7) and purchase intention of the PLB (H8) in existing literature. Finally, this research finds that the effect of perceived risk (H8) on the purchase intention of the PLB outperforms the price consciousness effect (H9), which previous studies neglect.

### 5.2. Marketing implications

Marketing managers can effectively use the results of this study since the PLB is a critical strategy for a chain of stores. This study indicates that the service quality of a store has a positive effect

Table 5  
Total effects between latent variables.

Latent variables	PLB image		Perceived risk			Price consciousness			Purchase intention		
	Direct effect	Total effect	Direct effect	Indirect effect	Total effect	Direct effect	Indirect effect	Total effect	Direct effect	Indirect effect	Total effect
Store image	-0.08	-0.08		0.07	0.07		-0.02	-0.02	0.23	-0.05	0.18
Service quality	0.51	0.51		-0.48	-0.48		0.10	0.10	0.04	0.29	0.33
PLB image			-0.93		-0.93		0.20	0.20	0.06	0.52	0.57
Perceived risk						-0.21		-0.21	-0.55	0.00	-0.55
Price consciousness									0.02		0.02

on the PLB image. Therefore, managers can enhance consumers' perception of the PLB image by improving the service quality that relates to the PLB.

For examples, a staff can enhance the interaction quality between the staff and the consumers by aggressively introducing the PLB in the store; improve the service environment quality by carefully arranging in-store atmosphere, music, and layout, and installing terminals to allow consumers to access the most updated and detailed PLB product information; and provide excellent outcome quality by reducing customer wait time and offering low cost, good quality PLB products.

This study provides guidelines for enhancing the purchase intentions of the consumers for the PLB. Based on the findings of this study, marketing managers can improve the store image by increasing product variety, enhancing product quality, offering the products in the price worthy of value, and pleasantly decorating the store. These improvements directly increase the purchase intention of the PLB. Managers can also improve the PLB image. For example, by reducing the defect probability of PLB products and setting up exclusive shelves for PLB products, this will indirectly increase the purchase intention of the PLB products.

The study results also show that consumers' perceived risk of PLB products mediated the relationship between the PLB image and purchase intention. Therefore, marketing managers can price the PLB product appropriately to reduce perceived financial risk, and provide PLB products with good quality and reliable performance safe for use to reduce perceived performance risk and physical risk, which in turn will increase consumers' purchase intention for PLB products.

### 5.3. Limitations and future research directions

The main limitations of this study relate to the generalisability of the findings. A possible limitation is the use of a consumer sample of a chain of drugstores for the pre-test and main study. Therefore, the results of this study may only apply to consumers within this particular type of channel. Another possible limitation is that the results can only be confidently applied to the PLB tested in this study. Because this study uses a systematic random sample from four drugstores in a northern Taiwanese city, its findings may not be applicable to other Taiwanese or international consumers. Another limitation of this research involves the scale adopted to operationalise the atmosphere of the store, one dimension of the store image. This study operationalise it in terms of the atmosphere of interior decoration, while other studies instead operationalise it in terms of sounds, smells, colors etc. (For example: James et al., 1976; Pettijohn et al., 1992; Semeijn et al., 2004). This may make it difficult when compare this study's results with others.

This study highlights several directions for future research. First, researchers can apply the hypothesized relationships by focusing on different areas or distribution channels other than drugstores. This will likely increase the generalisability of the results. Second, future research can include other factors, such as product-level factors or consumer-level factors (other than price consciousness), and investigate their combined effect on the image or purchase intention of the PLB. Lastly, this study shows that price consciousness does not affect the purchase intention of the PLB, which differs from the results of past research (Batra and Sinha, 2000; Burton et al., 1998). Future studies should examine this effect and compare the results. For example, the price of the PLB or the interference of product categories may affect price consciousness (Lichtenstein et al., 1988), which in turn might affect purchase intention for PLB products.

## Appendix A

Measures used in the main empirical study  
Construct (Source)

### A.1. Store image (Collins-Dodd and Lindley, 2003)

1. This store provides variety of products.
2. The entire product in this store has good quality.
3. The entire product in this store has low price.
4. The products of this store are good value for money.
5. The interior decoration of this store let me feel pleasant atmosphere.
6. Overall, I have positive attitude in this store.

### A.2. Service quality (Brady and Cronin, 2001)

#### A.2.1. Interaction quality

1. Overall, I'd say the quality of my interaction with this store's employee is excellent.
2. I would say that the quality of my interaction with this store's employee is high.

#### A.2.2. Service environment quality

1. I would say that store's physical environment is one of the best in its industry.
2. I would rate this store's physical environment highly.

#### A.2.3. Outcome quality

1. I always have an excellent experience when I visit this store.
2. I feel good about what this store provide to its customers.

### A.3. PLB image (Vahie and Paswan, 2006)

#### A.3.1. Quality

1. Too many of the private label brand I buy at this store are defective in some way.
2. Most private label brand I buy at this store wear out too quickly.
3. This store does not care enough about the quality of its private label brand.

#### A.3.2. Affective

1. I like the private label brand of this store very much.
2. I am satisfied with most of the private label brand I buy at this store.

### A.4. Perceived risk (Stone and Gronhaug, 1993)

#### A.4.1. Financial risk

1. My purchasing private label brand for use would be a bad way to spend my money.
2. If I bought private label brand for myself for use, I would be concerned that the financial investment I would make would not be wise.
3. If I bought private label brand for myself for use, I would be concerned that I really would not get my money's worth from this product.

#### A.4.2. Performance risk

1. The thought of purchasing private label brand for use cause me to be concerned for how really dependable and reliable that product will be.
2. If I were to purchase private label brand for use, I become concerned that product will not provide the level of benefits that I would be expecting.
3. As I consider the purchase of private label brand for use, I worry about whether the product will really perform as well as it is supposed to.

#### A.4.3. Physical risk

1. One concern I have about purchasing private label brand for use at home is that body probably will be harm, due to overuse of product.
2. My purchase of private label brand for use at home leads to concerns about whether the product could lead to some uncomfortable physical side-effects.
3. Because some private label brand products may not be completely safe, when I contemplate purchasing this kind of product for use at home, I become concerned about potential physical risks associated with this product.

#### A.5. Price consciousness (Sinha and Batra, 1999)

1. I tend to buy the lowest-priced brand that will fit my needs.
2. When buying a brand, I look for the cheapest brand available.
3. When it comes to buying, I rely heavily on price.
4. Price is the most important factor when I am choosing a brand.

#### A.6. Purchase intention (Knight and Kim, 2007)

1. I intend to buy private label brand of this store frequently.
2. I plan to buy private label brand of this store more often.

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