

Relationship between Marketing Mix Strategies and Consumer Motive: An Empirical Study of “Fresh” Stores in South India

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Key Words:

- 1 Consumer Motives
- 2 Marketing Mix
- 3 Private Label
- 4 Regional Brand
- 5 Retailing
- 6 South Indian Retailers Association.



Abstract : This paper investigates the relationship between Marketing Mix Strategy and Consumer Motives at major FRESH stores in South India. A quantitative approach was used and the survey was conducted at FRESH stores in HYDERABAD, CHENNAI, and BANGLORE towns. Previously, there has been no empirical research on private labeled fast-moving consumer products in South India. Hence, this research is the first of its kind. A simple regression analysis was conducted to test the relationship between the 4P's and consumer motives. The findings show that only the pricing strategy has a positive impact on consumer motives, while the promotion strategy has a significant negative impact on consumer motives. The product and place strategies do not influence consumer motives. These findings suggest that consumers do not look for product characteristics and store location when buying FRESH's private labeled fast-moving consumer products. Consumers are motivated to purchase FRESH private labeled fast-moving consumer products solely based on the low pricing strategy. The implication is that all FRESH stores in South India should focus their efforts on “Everyday Low-Pricing” when it comes to selling private labeled fast-moving consumer products.

Introduction:

The South Indian Retailers Association (SIRA) predicts that the retail industry is expected to grow about 6% in 2010 as it did in the previous year. The increased fuel prices, toll and utility rates have reduced consumers' disposable income and also affected their purchasing power. SIRA reports that the Indian retail industry has been experiencing a roller coaster ride in terms of growth since the Asian Financial Crisis in 1998. SIRA represents 100 major foreign and local retailers in India including FRESH. In Europe, retailers such as J. Sainsbury have achieved dominance over national brands in many product categories (Fitzell, 1992). Recent research shows that the private labeled market share is largely dependent on the degree to which retailers are successful in communicating quality rather than a low price image to consumers (Richardson et al., 1994).

Indeed, researchers now note that the price gap between national and store brands holds no significant predictive power in determining the private labeled market share at the aggregate market level (Hoch, 1996). What matters more is the extent to which manufacturers are successful in convincing consumers that absolute levels of real quality differ or that variation in quality presents consumers with risk if a store brand is selected over its “high quality” national brand counterpart (Hoch and Banerji, 1993; Richardson et al., (1996). In short, the “battle of the brands” is a war fought over consumer perceptions (Quelch and Harding, 1996). Both parties employ different weapons in this struggle. With this in mind, this study examines what local store FRESH has done to compete with national brands and what factors motivate customers of FRESH when buying private labeled brands especially fast-moving consumer products.

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Objective Of Study:

The objective of this research is to examine whether there is a significant relationship between marketing mix strategies and consumer motives toward the purchase of private labeled fast moving consumer products at FRESH Stores in South India.

Literature Review:

Consumer Motive: According to Duncan, 2005, consumer motive is defined as “internal impulses that when simulated initiate some type of response.” Consumers are continuously reacting to their internal impulses as well as the external environment. Since internal impulses and the external environment also interact, resulting in psychological motivations to fulfill needs and wants, Kim and Jin (2001) argue that consumer motives are known to be the drivers of behaviour that bring consumers to the retail store. Based on past research, consumer motives can be categorized from four perspectives. Firstly, the social influences on consumer motives such as the culture, sub-culture, social class, reference groups and families (Peter & Donnell, 2007). Secondly, the situational influences on consumer motives such as physical features, social features, time, task features and current conditions (Belk, 1975). Thirdly, psychological influences on consumer motives include product knowledge and product involvement (Peter & Olson, 2005). Finally, the marketing mix influences on consumer motives such as product, price, promotion and place (Peter & Donnell, 2007). This study will only focus on marketing mix influences on consumer motives.

Other research espouses a different approach, one that emphasizes peripheral cues which could enhance consumers' motivation to deeper information processing. Mooy & Henry (2002) theorize the defining motivation factor as “the arousal directed at the processing of brand-related information”. According to Alreck & Robert (1999) a product or brand preference

might be built through one or more of the theories behind the promotion strategies which motivate and stimulate consumer brand preference through the ideas of Maslow's hierarchy of needs. Simple brand preference building is an effective mechanism to present the product or brand name and a particular need through constant and simultaneous repetition. Hence, through exposure to such conditioning, consumers will eventually learn to associate the brand with the need and motive since consistent repetition is important (Alreck, 1990). This simple brand preference-building mode is still effective for creating brand name awareness today.

According to Knowles (1993), this remains a popular consumer preference-building technique today. As a result of repeated, simultaneous presentation, consumers will closely associate with the brand or product. But rather than associating goods with needs, the mood association mechanism requires the brand to be associated with a particular form of pleasant condition such as relaxation, achievement, or a state which can impart pleasant moods and feelings through very brief, simple messages. Price is the main motive in buying as illustrated by Gitomer, J. (2005). Morschett, D. et. al. (2005) show that the influence of shopping motive has a much more profound effect on the attitude towards retail stores than towards perception of store attributes. Product related considerations (eg. assortment and quality) and pricing appear to be the most critical aspects of consumer motives (Kim & Jin, 2001). Stem, Barbara. B. (2001) indicates that knowledge is located between past achievements and future promise.

Marketing Mix Strategy:

The marketing mix is defined as 4P's namely the product, price, promotion and place (Kotler & Armstrong, 2006). They are often designed to influence consumer decision-making and lead to profitable exchanges. Each element of the marketing mix can affect consumers in many ways (Peter & Donnelly, 2007). The marketing mix is the set of marketing tools a firm utilizes to pursue its marketing objectives in the target market (Borden, 1984). When a store markets its products, it needs to create a successful mix of the right product, sold at the right price, in the right place and using the most suitable promotion.

Product Strategy:

Kotler & Armstrong (2006) define a product as anything that can be offered to a market for attention, acquisition, use, or consumption that might satisfy a want or need. They further define a consumer product as the product bought by the final consumer for personal consumption. Consumers buy products frequently, with careful planning, and by comparing brands based on price, quality and style. According to Ferrell (2005), the product is the core of the marketing mix strategy in which retailers can offer consumers symbolic and experiential attributes to differentiate products from competitors. However, it is also concerned with what the product means to the consumer. Product is about quality, design, features, brand name and sizes (Borden, 1984). Many attributes of a company's products, including brand name, quality, newness, and complexity, can affect consumer behaviour. The physical appearance of the product, packaging, and labeling information can also influence whether consumers

notice a product in-store, examine it, and purchase it. One of the key tasks of marketers is to differentiate their products from those of their competitors and create consumer perceptions that the product is worth purchasing (Peter & Donnelly, 2007).

Brand equity reflects consumers' belief that the brand is looking out for them, will do whatever it takes to make them satisfied, and is responsive to their needs (Hess, 2005). The ability of a product to perform its functions includes the product's overall durability, reliability, precision, ease of operation and repair, and other valued attributes (Kotler & Armstrong, 2006). Brand trust is affect-based, referring to a feeling that is the outcome of a communal relationship with a brand. According to Duncan (2005) brand trust is created through brand messages that provide the benefits promised. Kim and Jon (2007) report that the affective response overrides the cognitive under all experimental conditions in forming product-trial attitude. Croft (2003) found that control practices and information systems influence consumer motives. Miquel (2002) proposes that individuals show as much interest in the product type as the brand and actively seek out information in their decision-making. Shugan and Ramarao (2001) reveal that rapid changes in technology have a significant effect on consumer purchases. Thus, past researchers have clearly suggested that product influences have a significant impact on consumer motives.

Pricing Strategy:

Pricing is one of the 4 P's outlined in the marketing mix strategy of a company. The price of products and services often influences whether consumers will purchase them at all and, if so, which competitive offering is selected. Stores such as FRESH, which are perceived to charge the lowest prices, attract many consumers based on this fact alone. For some offerings, higher prices may not deter purchase because consumers believe that the products or services are of higher quality or are more prestigious. However, many of today's value-conscious consumers may buy products more on the basis of price than other attributes (Peter & Donnelly, 2007). Among retail stores, the pricing strategy has become the pivotal point as they need to compete in terms of pricing to lure more customers. Berman (1996) reports that among the pricing policies which are of major concern to retail store outlets are the 'High-Low Pricing' and Every Day Low Pricing (EDLP) strategies. The concept outlines that buyers tend to associate a higher price with a premium quality and thus there are certain circumstances where they might purchase a higher-priced product as an indicator and assurance of higher quality.

According to Skoras (2005) this association has been investigated extensively through a number of empirical studies that tend to provide mixed results. Wulf et.al. (2005) found that private label products can offer even better quality than national brands but at a lower price. The domestic competitor reacts to the intensifying price competition by engaging in selective price changes (Uusitalo, O. and Maija, R., 2007). Cataluna, Francisco. J. R. (2004) shows that there is no difference in the price and promotional selling variations for non-durable goods in Spain. The differences in product quality do not significantly affect the brand preference as shown in the research by Wood, Lias. M. and Barry, J.P (2006). A review of the major literature shows that significant attention

has been given to consumer perceptions about the price and quality of private labels since these factors have been identified as two of the important reasons for purchasing private label goods (Jin, 2005). The dimensions of price are list price, discounts, allowances, payment term and credit terms (Borden, 1984). Hence, the earlier literature confirms that pricing has a significant effect on customer motives.

Promotion Strategy:

Promotion is defined as sales promotion, advertising, personal selling, public relations and direct marketing (Borden, 1984). According to Duncan (2005), promotion is the key to the market exchange process that communicates with present and potential stakeholders, and the general public. Every firm or store must cast itself into the role of communicator and promoter. Hakansson (2005) reports that promotion appears as an issue of how to create an optimal mix of marketing communication tools in order to get a product's message and brand from the producer to the consumer. Advertising, sales promotions, personal selling and publicity can influence what consumers think about products, what emotions they experience in purchasing and using them, and what behaviors they perform, including shopping in particular stores and purchasing specific brands. Since consumers receive so much information from marketers and screen out a good deal of it, it is important for marketers to devise communications that (1) offer consistent messages about their products and (2) are placed in media that consumers in the target market are likely to use.

Marketing communications play a critical role in informing consumers about products and services, including where they can be purchased and in creating favorable images and perceptions. Promotions pertaining to price offers are important tactics used to influence consumer behaviour in retailing both with regard to retailer and manufacturers' brands. According to Grunert (2006), several empirical studies have shown that price information is important for the consumer decision making process, and these consumers are very price conscious. Ferle and Steven (2006) find that the effectiveness of product advertisement in television is still doubtful. Ailawadi, et. al (2006), find that the net impact of promotions is still negative.

In another research, Gendek, K. and Scott (1999) report that in-store price promotions are associated with negative purchase event feedback compared to non-promotion purchases. Promotions such as price discounts and buy one get one free are effective promotional tools for encouraging consumers to buy more (Shi, Ka-Man and Gerald, 2005). Hung, Le Hong (2005) recommends that plans for promotions should be top-down strategy built plans with tactical bottom-up purchase analysis and that they should be monitored frequently. Steinberg, Jules (2001) points out that a successful promotion often comes from a good imagination. There are mixed findings from past research that promotion considerations either have an impact or no impact on customer motives in retail store purchases. It all depends whether the promotions support private-labeled or national brand products.

Place Strategy: Kotler and Armstrong (2006), define place or distribution as a set of interdependent organizations involved in the process of making a product available for use or consumption by consumers. Place strategy calls for effective distribution of products among the marketing channels such as the wholesalers or retailers (Berman, 1996). Place strategy in retail stores includes more than the question of how consumers access the stores, it also includes the availability of products in such stores (Kotler, 2003). A store can position or reposition a product by locating that product within a store. Products with high traffic volume are placed near the payment counters and low-traffic volume products at distant locations. Warnaby and Dominic (2004) highlight the advantages of shopping in town centers. Beverages are not just soft drinks, water, isotonic and milk but include emerging categories (Feil, 2003). The dimensions of place are channels, coverage, assortment, location, inventory, and transport (Borden, 1984). Thus, the above studies imply that place or distribution considerations play a major role in influencing consumer motives.

A marketer's strategy for distributing products can influence consumers in several ways. First, products that are convenient to buy in a variety of stores increase the chances of consumers finding and buying them. When consumers are seeking low-involvement products, they are unlikely to engage in an extensive search, so ready availability is important. Second, products sold in exclusive outlets such as RELIANCE or BIG BAZAR may be perceived by consumers as having a higher quality. In fact, one of the ways marketers create brand equity - that is favorable consumer perceptions of brands - is by selling them in prestigious outlets. Third, offering products by non-store methods, such as on the Internet or in catalogues, can create the consumer perception that the products are innovative, exclusive, or tailored for specific target markets.

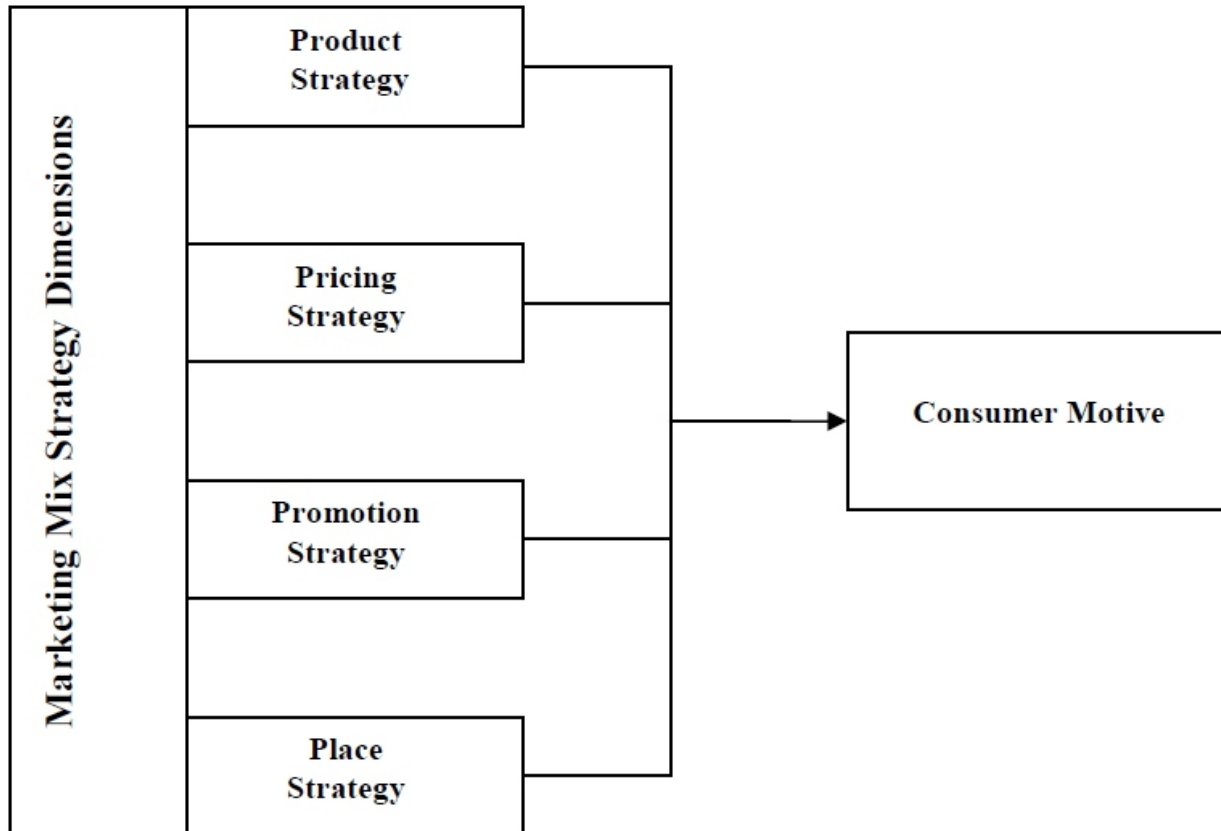
Private-labeled Brand:

Private-labeled brands, also known as store brands, contain names designated by wholesalers or retailers, are more profitable to retailers, are better controlled by retailers, are not sold by competing retailers, are less expensive for consumers, and lead to customer loyalty to retailers (Berman and Evans, 2004). Retailers' interest in private labeled brands is growing because retailers have autonomy in selecting suppliers, arranging for distribution and warehousing, sponsoring ads, creating displays and creating opportunities for better margins.

National Brand: The national brands, also called the manufacturers' brands, are produced and controlled by manufacturers. They are unusually well known, supported by manufacturer ads, somewhat pre-sold to consumers, require limited retailer investment in marketing, and often represent maximum quality to consumers. Such brands dominate sales in many product categories (Berman and Evans, 2004).

Research Methodology:

Figure 1 : The research framework



Source: Kotler, Philip and Armstrong, Gary (2006). Principles of Marketing. Pearson International Edition, 11th Edition.

Conceptual Framework: The conceptual framework of this study focuses on the development of a model to measure the relationship between marketing mix strategy and consumer motive. Examining the relationship between marketing mix strategy and consumer motive, should contribute to our knowledge of the relationship that exists between them. The link between the dimensions of marketing mix strategy and consumer motive is illustrated in Figure 1 above. In this framework, the marketing mix strategy dimensions are independent variables and consumer motive is the dependent variable. The present study thus attempts to bridge the gap by providing a basis for a thorough and insightful discernment of marketing mix strategy and consumer motive. The model suggests that there is a strong relationship between the dimensions of marketing mix strategy and consumer motive.

Hypotheses Development: The extensive study of previous research would suggest that the marketing mix strategy enhances consumer motive toward the purchase of fast-moving consumer products. As such, the following hypotheses are proposed:

H1: There is a significant positive relationship between price consideration and consumer motive in the purchase of fast-moving consumer products.

H2: There is a significant positive relationship between product consideration and consumer motive in the purchase of fast-moving consumer products.

H3: There is a significant positive relationship between place and consumer motive in the purchase of fast-moving consumer products.

H4: There is a significant positive relationship between promotion and consumer motive in the purchase of fast-moving consumer products.

Sampling Procedure: The target population of this study was retailing organizations in Andhra Pradesh. The sample for this survey was comprised of respondents who are customers of FRESH Stores at Hyderabad, Chennai, and Bangalore towns. FRESH was selected as the unit of analysis for this study because it is considered to be one of the major forces in the retailing industry. FRESH is also considered to be one of the major contributors to the South India's economy. This research examined the degree of application of marketing mix strategy dimensions, and then

investigated their relationship with consumer motive. The questionnaires were distributed to customers at the entrance of the FRESH Stores. A total of 120 respondents participated in the research. For this research, the convenience sampling technique was used. The measurement used in this paper is the Likert Scale Method of summated ratings. It consists of statements where respondents indicate their degree of agreement or disagreement on a five- point scale -Strongly Disagree, Disagree, Neutral, Agree, and Strongly Agree.

Findings: The demographic variables used in this study are; Age, Gender, Race, Monthly Household Income, Monthly Household Expenditure, Education Background, How Often One Shops at FRESH, If the consumers have bought a FRESH private-labeled brands before and Marital Status. The respondents' demographic

profile is shown in Exhibit 1. The target respondents were customers at FRESH stores located in Hyderabad, Chennai, and Bangalore towns. Once information had been gathered from the questionnaires, a series of data analyses was conducted on the information. Based on the demographics and other personal background information obtained, we can deduce that for Age – the majority of respondents were within the ranges of 21-31 (30.8%) and 31-40 (35%) years, therefore 65.8% of respondents were from 20-40 years old. For Gender – there were more female respondents at 55.8%, which is a significant majority. For Race – the majority of respondents were Chinese at 42.5%, therefore they are more willing to purchase fast-moving consumer products than other races. For Educational background – the majority of respondents were qualified with a Bachelor degree (42.5%)

Exhibit 1 : Respondents Demographic Profile

Respondents' profile	Classification	Frequency	Percent
Age	Under 20	5	4.2
	21 to 30	37	30.8
	31 to 40	42	35.0
	41 to 50	28	23.3
	51 & above	8	6.7
Gender	Male	53	44.2
	Female	67	55.8
Race	Malay	36	30
	Chinese	51	42.5
	Indian	27	22.5
	Others	6	5
Educational background	Secondary	7	5.8
	SRP / SPM	23	19.2
	Diploma	29	24.2
	Bachelors	51	42.5
	Master's / PhD	10	8.3
Monthly household income	Less than RM2,000	32	26.7
	RM2,001 to RM5,000	42	35.0
	RM5,001 to RM8,000	29	24.2
	RM8,001 to RM10,000	9	7.5
	RM10,001 & above	8	6.7
Maritalstatus	Single	53	44.2
	Married	67	55.8
Monthly expenditure on groceries	10% of income	48	40
	20% of income	45	37.5
	30% of income	18	15
	More than 30% of income	9	7.5
How often they shop at Tesco	Everyday	3	2.5
	Once a week	35	29.2
	2-3 times a week	20	16.7
	Every two weeks	39	32.5
	Once a month	23	19.2
Have bought Tesco brand products before	Yes	102	85
	No	18	15

followed by diploma holders (24.2%) and SRP / SPM (19.2%). Therefore, a huge majority of customers were professionals with education. In terms of monthly household income, the survey indicates that the bell curve of respondents was from 'Less than RM2,000' to 'RM2,001 to RM5,000' to 'RM5,001 to RM8,000' which is 26.7%, 35% and 24.2% respectively. In terms of marital status, there were more married respondents at 55.8%, which is a significant majority; therefore, married people have a greater tendency to purchase fast-moving consumer products.

The monthly expenditure on groceries indicates that the majority of respondents spend 20% (or less) of their monthly expenditure on groceries at 77.5% (combined figures for 10% of income and 20% of income on expenditure). Therefore, it is possible that they could be very selective when choosing what they buy or that they are high-net individuals who do not need to spend a lot on groceries. In terms of how often they shop at FRESH, the majority of buyers shop from once in a week to once in every 2 weeks at 29.2% (once a week) and 32.5% (once every 2 weeks) for a total of 61.7%. For the category 'have bought FRESH brand products

before', the majority of respondents have bought FRESH products before and are familiar with the product quality (85%)

Factor Analyses and Reliability:

Exhibit 2 shows the results of Factor Analysis. From the factor analyses of the variables, five factors were generated. Factor one is named Consumer Motives (dependent variable) with 6 items carrying a factor loading of more than 0.6. Factor two is named Product Consideration with all five tested items loading more than 0.6. Factor three is called Place Consideration with four items having a factor loading of more than 0.6. Factor four is named Price Consideration with three items higher than 0.6 loading. Promotion Consideration did not become a factor since it had only one item that loaded higher than 0.6 and this is considered weak for this study.

Reliability Testing:

Although pre-testing of the questionnaires was done earlier to enhance reliability, this was done again for the entire survey, where the collected data were keyed in and the Cronbach Alpha

Exhibit 2 : Factor Analysis of Variables

Rotated Component Matrix

Items					
	F1	F2	F3	F4	F5
Pricing2				.830	
Pricing3				.640	
Pricing4				.820	
Product1		.847			
Product2		.797			
Product3		.734			
Product4		.662			
Product5		.765			
Promotion4					.611
Promotion1			.630		
Promotion3			.818		
Placement4			.810		
Placement5			.818		
Motive2	.756				
Motive5	.757				
Motive7	.699				
Motive8	.796				
Motive9	.808				
Motive10	.836				

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 10 iterations

was calculated. With values at an acceptable level of significance for Alpha being 0.70 (Huck and Cormier,1996), we can conclude that the final survey is reliable.

Factors Cronbach Alpha: Retailers will not promote their private brands in order to lower or to maintain low costs and pass the saved cost to consumers. Cronbach alpha for promotion is not available as only one item was utilized for this factor for further analysis.

Pearson Correlation:

The correlation coefficients among the variables such as pricing consideration, product consideration, place consideration, promotion consideration and consumer motives are shown in exhibit 4 above. The results above reveal that there are significant correlations existing between Marketing Mix Variables and Consumer Motives. The correlation between Promotion and

Exhibit 3 : Cronbach Alpha Values

Factors	Cronbach Alpha
Price	0.787
Product	0.854
Placement	0.814
Promotion	Nil
Motivation	0.879

Exhibit 4 : Correlation Coefficients among Variables

Correlations

		Motiveall	Pricingall	Productall	Placementall	Promotion4
Motiveall	Pearson Correlation	1	*			**
	N	120				
Pricingall	Pearson Correlation	.410**	1	*		**
	Sig. (2-tailed)	.000				
	N	120	120			
Productall	Pearson Correlation	-.092	-.190*	1	**	**
	Sig. (2-tailed)	.318	.038			
	N	120	120	120		
Placementall	Pearson Correlation	.071	.012	.265**	1	**
	Sig. (2-tailed)	.439	.897	.003		
	N	120	120	120	120	
Promotion4	Pearson Correlation	-.271**	-.341**	.565**	.275**	1
	Sig. (2-tailed)	.003	.000	.000	.002	
	N	120	120	120	120	120

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

*Correlation is significant at the 0.05 level (2-tailed).

Consumer Motives shows a negative coefficient of 1 %. This implies that as promotion increases consumer motives decrease. This coefficient is significant, which means we can conclude beyond

doubt that this relationship exists. There is a strong positive correlation found between Price Consideration and Consumer Motives at the 1 % level. This indicates that as price increases, consumer motives also increase. This coefficient is significant which means there is a strong positive relationship. The results show there is a negative correlation between Product Consideration and Consumer Motives, but it is a weak relationship and statistically not significant. The relationship between Place Consideration and Consumer Motives is positive but it is a weak relationship and statistically not significant.

Simple Regression Analysis:

The regression coefficients and their associated-'t' values are given in the following exhibit 5. Among all four independent variables, pricing consideration comes first as the most significant factor. There is a significant relationship between Price Consideration and Consumer Motives at 1 %. This implies that the

pricing consideration is an important variable which motivates consumers to purchase private labeled fast-moving consumer products at FRESH outlets. Promotion Consideration is the next significant variable to predict consumer motives. There is a significant relationship between Promotion Consideration and Consumer Motives at 5 %. But, this relationship is a negative relationship which implies that consumers are not motivated to purchase fast-moving consumer products if they are promoted by FRESH outlets.

The above results also reveal that there is no relationship between product and place considerations with consumer motives. This implies that product and place considerations do not motivate consumers to purchase private labeled fast-moving consumer products at FRESH outlets.

Summary of Findings:

Hypothesis Variables Test Significance:

- 1 Price and Consumer motives Multiple Regression Significant
- 2 Product and Consumer motives Multiple Regression Not Significant

Exhibit 5 : Regression Coefficients

Coefficients							
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	6% Confidence Interval for	
	B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	2.083	.520		4.034	.000	1.0533.113
	Promotion	-.151	.073	-.222	2.071	.041	-.295-.007
	Pricing	.350	.090	.346	3.880	.000	.171.528
	Product	.070	.102	.070	.686	.494	-.132.272
	Placement	.124	.100	.110	1.247	.215	-.073.322

a. Dependent Variable: Motiveall

Exhibit 6 : Summary of Hypothesis Testing

Hypothesis	Variables	Test	Significance
1	Price and Consumer motives	Multiple Regression	Significant
2	Product and Consumer motives	Multiple Regression	Not Significant
3	Placement and Consumer motives	Multiple Regression	Not Significant
4	Promotion and Consumer motives	Multiple Regression	Significant

- 3 Placement and Consumer motives Multiple Regression Not Significant
- 4 Promotion and Consumer motives Multiple Regression Significant

Discussion:

The study indicates that price consideration has a significant positive impact on the purchase of private labeled fast-moving consumer products at FRESH outlets. This is because many native consumers are motivated to buy products at lower prices. The customer base in the low price segment of the SOUTHERN consumer market is big. These consumers in the low-cost segment always look for products that offer value for money. This study also reveals that product consideration does not influence consumer motives. This is because customers buy fast-moving consumer products frequently and immediately with minimum comparison and buying effort. Fast-moving consumer products are low involvement products where customers do not really look at product attributes such as quality, features, design and style. Place consideration is seen to be another factor not having an impact on consumer motives. This is because many consumers may be of the view that FRESH outlets in southern region are already located in their neighborhoods, and the issue of location and accessibility is not a major concern to them. The relationship between promotion consideration and consumer motives is significant, but the relationship is negative. This may be due to the consumer perception that heavily promoted products could be problematic products – of poor quality, with passed expiry dates, and from clearance stocks. Consumers may also perceive that heavier promotions also mean that the products are sold at higher prices, which will turn-off consumers who are in the low-cost segment of the consumer market.

Limitations of Research:

The sampling for the study was limited to three FRESH Stores only, and this represented 23% of the thirteen FRESH Stores in southern region of India. Hence, the sampling results may not be reflective of the actual buying pattern of FRESH consumers in southern region. Another concern is the fact that the sampling was primarily targeted at urban consumers, subsequently alienating consumers from the rural markets. Urban consumers have a higher bargaining power yet uneven buying behaviour compared to rural consumers. Another drawback is that only 120 respondents took part in the research. Such a low sampling number may not give a true indicative prediction of consumer motives toward the purchase of fast moving consumer products. As such, the study cannot be generalized to other retail businesses in India.

Suggestions for Future Research:

It is recommended that for future research the sampling be expanded equally to FRESH, BIG BAZAR, RELIANCE and other regional Stores throughout South India. It is also recommended that the sampling size should be at least 250 respondents, which can strengthen generalization. Future research should focus on other marketing mixes like people, process and physical evidence. This will provide a whole new set of dimensions or results that can

explain the motives for consumer purchases. People (employees) with in-depth product knowledge as well as the physical evidence of the outlets of these retailers can also influence the purchase intention.

Conclusion:

The results show that except for pricing, product and place do not influence consumer motives toward the purchase of private labeled fast-moving consumer products at FRESH outlets. Promotion is negatively correlated with FRESH's private labeled fast-moving consumer products. The findings suggest that consumers do not look for product characteristics and store placement when buying FRESH's private labeled fast-moving consumer products. Consumers are motivated to purchase FRESH private labeled fast-moving consumer products solely based on low pricing. The implication is that all FRESH outlets in South India should focus their efforts on "Everyday Low-Pricing" when it comes to selling private-labeled fast-moving consumer products.

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