

THE EFFECT OF CONSUMER FACTORS AND STORE IMAGE WHICH IS MODERATED BY PLB IMAGE TOWARDS PLB PURCHASE INTENTION

Maria Patricia Gautama

Master of Management, Pelita Harapan University, email: maria.gautama@yahoo.com

Jony Oktavian Haryanto

Faculty of Economics Business, Satya Wacana Christian University, email: jonyharyanto@yahoo.com

Abstract

Nowadays the development of Private Label Brands (PLBs) is increasing; this is proven by the increasing number of PLBs products in various product categories that we can found in several types of stores such as a supermarket, hypermarket format or in convenience store. PLBs have a very good opportunity in the market, considering many consumers are realizing that the price of PLBs which tend to be cheaper and with good qualities when compared with the price of national brands or product manufacturer. It also becomes interesting when it is known that the opportunities are widely open and it is proven with more and more retailers which aggressively producing PLBs. They give consumers more choices with a more affordable price but still provide good quality, especially in this world economy condition that tends to go down which of course also affect consumer purchasing power. By these reasons, the aim of the study is to determine whether the consumer and store image factors have a significant relationship in encouraging consumers to make PLB purchases, especially when it is moderated by PLB Image. The results showed that there are significant effect from consumer factors and stores image toward PLB purchase intention and its getting increase with the moderation of the PLB image.

Keywords: consumer factors, store image, PLB Image, PLB purchase intention

Abstrak

Perkembangan merek privat telah meningkat akhir-akhir ini, hal ini ditunjukkan dengan meningkatnya sejumlah merek privat pada beberapa kategori produk yang terdapat di supermarket, Hipermarket dan beberapa toko ritel. Merek privat merupakan peluang yang menguntungkan di pasar, oleh karena harga produk dengan merek privat cenderung lebih murah dengan kualitas yang baik, dibandingkan dengan harga produk dengan merek nasional atau perusahaan. Hal ini juga merupakan peluang bagi pengecer untuk lebih agresif memperkenalkan merek privat. Pengecer memberikan pilihan lebih banyak bagi konsumen dengan harga terjangkau, hal ini cenderung mempengaruhi daya beli konsumen. Berdasarkan hal tersebut, penelitian ini bertujuan menentukan faktor-faktor konsumen, citra toko yang secara signifikan mendorong konsumen membeli merek privat, khususnya dimoderasi dengan citra merek privat. Hasil penelitian menunjukkan bahwa faktor konsumen dan citra toko signifikan mempengaruhi niat beli merek privat dan semakin tinggi dimoderasi dengan citra merek privat.

Kata kunci: consumer factors, store image, PLB Image, PLB purchase intention

JEL Classification: M31

1. Introduction

The growth of Private Label Brands (PLBs) lately is caused by the price of PLBs which tend to be cheaper with good quality when compared with the price of national brands or manufacturer products of consumer brands. Few manufacturers whose produce national brands at the same time also produce store brand to get full capacity of their production. According to

Quelch and Harding (1996) quoted by Glynn and Chen (2009) whose very pay attention to this thing, can be concluded that products with the same specification or can be said identical with general product in the market have different price although they come from one manufacturer. It is very interesting to be explored how consumer face about these product.

PLBs are important component in retail branding. Retail branding strategy itself is usually comprised of store brand, manufacturer's brand or national brand (NBs), and PLBs (Dawson 2006 cited by Glynn and Chen 2009). From previous research results show that perceived risk, quality and price are important factors for consumers' PLBs. Disregarding all potential risks faced by PLBs to national brands, market share continuous to increase from time to time (Batra and Sinha 2000 cited by Glynn and Chen 2009).

However, the competition faced by company who produces PLBs is not easy to consider there are various factors that generally affect the consumer in choosing between private label products and national brands. In general, the factors that play role of consumers in retail branding implication of the rivalry between PLBs and national brands are consumers attitudes consist of price consciousness or awareness of price and price-quality association or consumer association of price and quality of product, brand loyalty or consumer loyalty to particular brands and quality variability or availability of various kinds of quality products.

As mentioned above in term of consumer factors such as price consciousness, price-quality association, brand loyalty and quality variability that is partly taken from the studies that is conducted by Glynn and Chen (2009), there is also store image factor which according to Bao, Bao, and Sheng (2010) also affect the motivation of consumers in the purchase of PLBs. The elements of store image used in this study consist of the store atmosphere, merchandising, employee service and value. Store image is also considered to be an important factor in influencing consumers to make purchasing decisions, starting from the consumer's decision to come to the store or outlet, one of which is caused by a store atmosphere that is felt by consumers and the completeness or combination of products provided by the stores whose provide PLBs and the National Brand (merchandising) so that consumers can be easier to choose and do a comparison. The second is the role of quality of service provided by the store (taken from Servqual's Five Dimensions). The last is related promotional programs offered by stores such as special sales, promotion, coupons, free samples, sales and trading stamps.

Facing the competition with NBs, PLBs retailers need to have information about the motivation of consumers toward the purchase of PLBs as this helps to improve and differentiate of what their stores have to offer. Previous studies only focused on the producer (manufacturer) and investigate the existence of PLBs in a category that has affected or erodes consumer loyalty towards a particular national brand. While recent research is carried out to investigate the psychological perception of PLBs, consumers PLBs, and economic considerations such as the effect of price to quality. This research also investigated the influence of PLB's image as moderating consumer factors and store image on the PLB's purchase intention, to determine whether PLB's image has a significant impact both on consumer factors and store image on consumers' desire to purchase PLBs.

This journal is structured as follows. First of all, we will briefly explain about the conceptual model. Moreover, based on a review of the literature, we will offer a brief outline of the construct from the conceptual model. Subsequently, we will focus on the relationship between consumer factors, store image, PLB image and PLB purchase intention by formulating a set of formal hypotheses. Third, we will discuss the results of an empirical study that was undertaken to test our research hypotheses. In conclusion, we will address the theoretical as well as the managerial implications of our findings on the relationship between consumer factors, store image, PLB Image and PLB purchase intention.

2. Literature Review

The conceptual model underlying our research is exhibited in Fig. 1 showing that consumer factors and store image influencing PLB Purchase intention moderated by PLBs image. We first focused on what is PLBs. Second, we discuss the construct of consumer factors and store image. Third, the impact of PLBs image as moderator on PLB purchase intention is assessed.

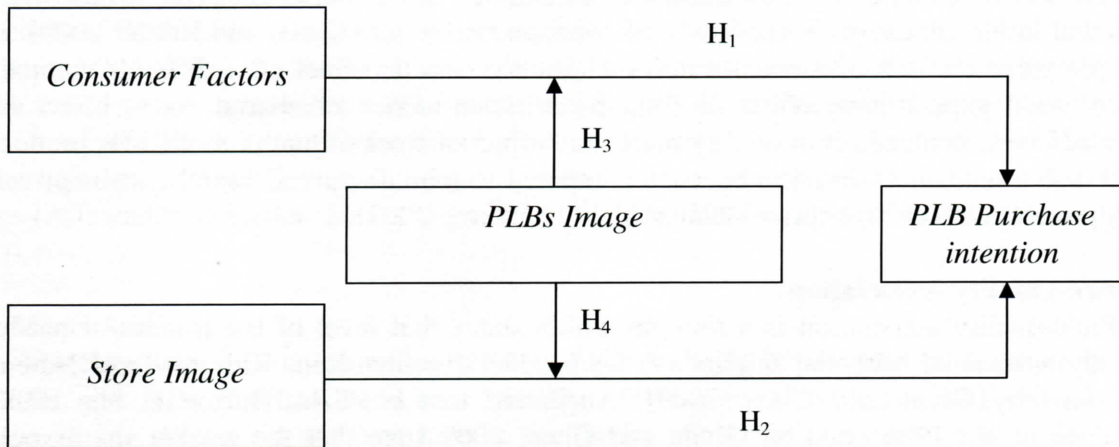


Figure 1. Conceptual Model

2.1. Private Label Brands (PLBs)

PLBs are usually owned, controlled and sold exclusively by retailers (Sethuraman, 1995). Store brand or private label brand is a quality product at a cheap price, and usually always gives retailers high margins (Cateora and Graham, 2007). Private label products are produced by the retailers themselves and sold in the name of an existing brand in retail stores (Baltas, 1997). According to Kumar and Steenkamp (2007) the retailer private label, often referred to as own labels, store brands, or distributor-Owned brands. They also stated that currently the major retailers have been able to build credible PLBs products in various product categories, where consumers usually pay attention to this matter and moved away from their favorite national brands. Purchase of PLBs is not always caused by a desire to make saving in shopping. PLBs consumers are seen as shopper who are very full to considerate, where they really compare between the NBs with PLBs, and they are not easy influenced by advertising and also have pride in their buying decision.

The differences between NBs and PLBs can be seen from their advantages. From research by Hoch (1996) quoted by Hultman et al. (2008), there are two main advantages of NBs compared to PLBs. First, PLBs are more price sensitive than NBs where PLBs will loose more consumers when price is increased. Second, NBs generally consider having a consistent product with good quality. In the other hand, PLB also has the advantages. First, PLBs retailers have full control over their brands both in terms of advertising and PLBs image as a whole and this become a very good profit for PLBs. More than that is no less important that the retailer can decide independently about the placement and position of PLBs in their stores (Hoch 1996, quoted by Hultman et al., 2008).

2.2. Consumer Factors

Based on research model, one of the variables examined is consumer factors which is reflected in the variables that make up a few things namely consumer factors such as price consciousness, price-quality association, brand loyalty and quality variability. These four variables are conducted on earlier research by Glynn and Chen (2009). Below we will discuss about these four variables.

2.3. Price Consciousness

According to Longenecker, Moore and Petty (2003), price is the specification of what is requested by a seller in exchange for transferring ownership or use of goods or services. Kotler and Armstrong (2008) define price is the amount of money charged for a product or service, the number of values that consumers exchange for the benefits of owning or using a product or service. Price consciousness is awareness or sensitivity of consumer on price. These are nine factors that influence the price sensitivity of consumer behavior (Kotler and Kettler 2009): effect of unique values; effect of awareness of substitute products; effect of a difficult comparison; effect of total expenditure; effect of final benefits; influence of shared costs; effect of the embedded investment; effect of quality price; and effect of stocks. Purchase of PLBs product can be said that was a smart decision because compared to manufacturers' brand consumer can get quality product with cheaper price (Kumar and Steenkamp 2007).

2.4. Price-Quality Association

Price-quality association is a thought which states that level of the price of a product is positively associated with the quality of the product (Lichtenstein, Ridgway and Netemeyer 1993, cited by Glynn and Chen, 2009). Attributed to the PLBs, Burton et al., 1998 and Richardson et al., 1996 cited by Glynn and Chen, 2009 state that the weaker the association consumers against price-quality, sell of PLB will increase because price is not always a signal for inferior quality of product.

2.5. Brand Loyalty

Brand loyalty is the measure of the closeness or consumer interest in a brand. This measure illustrates the inconvenience of consumers switch to another brand, especially if the brand experience that involves both changes in price or other attributes (Aaker, 1996). Consumers who are loyal in general will continue to use the brand, although faced with many competing products that offer superior characteristics. Purchases can be regarded as exclusive brand loyalty when consumers consistently purchase on the same brand (Brown, 1952 cited by Koo, 2003). According to Kumar and Steenkamp (2007), in their research in the Consumer Product Categories found that one-third of consumers are more loyal to the PLBs or store brands, while half of consumers are loyal to the manufacturer brands (brand loyalty) and the rest unidentified. However there are variations that must be considered among the categories.

2.6. Quality Variability

While large retailers continually upgrade the quality of PLBs produced (Rafiq and Collins, 1996, quoted by Glynn and Chen, 2009) but consumers remain suspicious of the quality of PLBs (Dick et al., 1995, cited by Glynn and Chen, 2009). According to Hoch and Banerji (1993) as cited by Glynn and Chen (2009), the quality of PLBs product determines how much market share that can be achieved. From their research also revealed that the PLBs product will be more successful in its product category when the quality of which is owned by the PLBs are not much different from NBS product quality. When the difference in quality among the same product category is high then consumers will prefer products NBS compared PLBs to reduce the risk of purchases made (Semejin et al., 2004, quoted by Glynn and Chen 2009). According to Dick, Jain, and Richardson (1995) as cited by Glynn and Chen (2009), the trend in the purchase of PLBs will be higher when the quality difference that exists between the NBS products and PLBs are low.

2.7. Store Image

Each retailer has its image. Formation of the image that is created was a combination of attributes possessed by these retailers, such as shopping environment, services provided, variations in products offered, and quality of products offered (Bao, Bao, and Sheng, 2010). Retailers can be said as a brand and image of these retailers is an important essence of the equity of their stores (Ailawadi and Keller, 2004, quoted by Bao, Bao and Sheng, 2010). Store image becomes an important variable in this study because a private brand basically is an extension or reflection of the brands owned by retailers such as the parent brand. From the above explanation can be concluded that the retailer image created by point of view of consumer to retailer equity which could make consumers assess about the quality of products offered by these retailers. Consumers assume that the private brand products owned by a good image store will have good product quality compared to private brand products which are owned by the store that is lower image (Ailawadi and Keller, 2004; Zimmer and Golden, 1998 as quoted by Bao, Bao and Sheng, 2010).

2.8. Merchandising

Merchandising is a combination product merchandising is provided by the shop consisted of PLBs and NBs (Collins-Dodd and Lindley 2003, quoted by Vahie and Paswan 2006). Merchandising theory put forward here is the theory about the combination of PLBs and the National Brands products displayed by the retailer in his store. Retailers are mentioned in this theory is the department store but in this research can be adapted into the object selected retailers. To gain a larger market share, the department store tries to make differentiation from its competitors by introducing a combination between PLBs and national brands (Collins-Dodd and Lindley, 2003, quoted by Vahie A and Paswan A., 2006). PLBs are becomes important because department stores can do their differentiation toward merchandise, increase potential sales by making PLBs as fascination for consumers (Corstjens and Lal 2000 and Reda 2002, quoted by Vahie and Paswan 2006). PLBs can also help in controlling costs and build store loyalty (Corstjens and Lal, 2000; Collins-Dodd and Lindley, 2003, quoted by Vahie and Paswan, 2006).

2.9. Employee Service

Employee service is one factor in store image using the theory of Servqual. According to Parasuraman, Zeithaml and Berry (1985) cited by Pornpaiboon (2008) in Servqual's Five Dimensions, all five dimensions have put the role of personnel in service organizations. The five dimensions include reliability, responsiveness, assurance, empathy, and tangibles. First, reliability is the ability to provide service that is reliable and accurate. Reliability service performance is the expectation of consumers, which means that the service can be completed any time within the same treatment without making mistakes. Second, the responsiveness is the intention of willingness to help customers and provide quick service. Third, assurance is the knowledge and courtesy of personnel and their ability to create trust and confidence. Forth, empathy is the provisions in giving attention to the consumer, individuals per individual (sense of security, efforts to understand the needs of consumers, can be reached easily.) The last, tangible is in the form of physical appearance of facilities, equipment, personnel and communications equipment. According Gronroos (1984) cited by Pornpaiboon (2008) psychological interaction between the buyer and the seller includes the attitudes and behaviors of employees, reciprocal relationship between employees and customers, relationships between employees, their appearance and personalities of service personnel, service-mindedness of existing personnel, ease of reaching consumers in the services provided by retailers and easier to ask service personnel.

2.10. Value

The literature of value in this study related to discount offers, special sales, promotion, coupons, free samples, sales and trading stamps. Kumar and Steenkamp (2007) state that increases the selling price can be right decision for retailers to accommodate increase in cost. In order to face competition with private label brands, manufacturer brands perform various promotional activities such as providing coupons, temporary price cuts, free gifts, and the "buy one get two." They hope that by doing this campaign so PLBs consumers' interested try to buy national brands products and some of these customers can become loyal customers, assuming that by trying the products so they can know value add held by the national product brands. Unfortunately, according to a study conducted by Kumar and Steenkamp (2007), the promotions only provide short-term advantages, because in the long term this would provide great benefits for PLBs. There are several reasons for these; first, the bulk of promoted products purchased by consumers had previously purchase and been loyal to national brands. Second, too often promotions caused consumers tend to wait for a sale to make a purchase. This is become a dilemma, if they can not get national brands with price promotions so the consumer will change their purchases to products PLB. In other words, often consumers who usually buy promotional products turned into buyers of PLB due to a massive campaign undertaken by the manufacturer brands.

2.11. PLBs Image

Strong relationship between retail store image and PLB image regarded as a fundamental requirement in creating a successful differentiation strategy (Collins-Dodd and Lindley 2003, quoted by Vahie and Paswan 2006). Definition of brand image is the perception of consumers for their association to the tangible and intangible factors inherent in the brand (Faircloth and Alford 2001, quoted by Koo, 2003). The definition of association of the brand is when all things related to the memory of the brand, while brand image itself is a set of associations which usually means for consumers (Aaker 1991, quoted by Koo, 2003). More specifically, brand image is owned by a consumer association for a particular brand of concrete attributes, the value of benefits and brand attitude (Keller, 1993; Srinivasan, 1976; Biel, 1993; Park and Srinivasan, 1994, cited by Koo, 2003). A good brand image will be more selected than less well (Kwon, 1990, quoted by Vahie and Paswan, 2006).

2.12. Purchase Intention

Purchase intention is the subjective preferences of consumers towards a particular product (Esch, et al., 2006) or consumer desire to buy influenced by price, brand and store effect. Purchase intention is influenced by consumer preferences, which are characteristics or attitudes of consumers towards a product to express attitude of likes or dislikes that will create different tastes. This difference is caused by many things such as psychological, personal, social and cultural. Thus, consumers' expectations of two organizations in the same business can be valued differently by consumers. In the context of consumer preferences, expectations are estimates or beliefs about what consumers will accept. It can be concluded that the basic understanding of consumer preferences to determine consumer choice if consumers are faced with many different choices of similar products. According Desrochers and Nelson (2006), consumer preference for products directly related to the product around and the extent to which the quality of the product is highlighted in the product category. The usual method for measuring consumer preferences is the method of the Attitude towards the Object Model of Fishbein (1961). In this formula consumer preferences as indicated by the value of consumer attitudes toward an object based on the level of confidence and level of consumer evaluation of the object. The transformation that has been done by the PLB were not be ignored by consumers. Improvements of PLBs have been

creating PLB as an alternative to purchasing an acceptable by a large group of consumers (Kumar and Steenkamp, 2007).

2.13. Research Hypotheses

The aim of the study is to determine whether the consumer and store image factors have a significant relationship in encouraging consumers to make PLB purchases, especially when it is moderated by PLB Image. Based on the theoretical foundation and background in this study, can be seen that so many factors that contribute to determine the propensity of consumers in the purchase of PLBs, some of them are consumer products and store image factors which moderated by the PLBs image. The relational paths among the constructs are summarizing in Fig. 1.

2.14. Consumer Factors and PLBs Purchase Intention

Based on previous study, consumer factors are one that influences the willingness of consumers to make purchases of products PLBs. In the case the level of consumer's price conscious is high, as the part of consumer factors, it can promote consumers purchase intention especially in world economic conditions are not too good. When price quality association high, consumers have a good understanding of price associated with product quality, purchase intention also will be high. Another thing that supports the purchase intention is consumers' loyalty to one particular brand. And the last matter is the difference in the quality of the NBS products and PLBs tend to be low (quality variability) will lead to high purchase intention.

The difference in quality and price between PLB and NB products influence purchasing decisions by consumers, we assume that when the gap or difference in the quality contained in the PLB and the NB is low (supported by the PLB prices which tend to be lower), then consumers will tend to buy PLB (Hoch and Banerji 1993; Steenkamp and Dekimpe 1997 as quoted by Glynn and Chen, 2009). We also consider that the purchase of PLBs determined by the price. According to Attitude Towards Object Model Theory from Fishbein (1961) where consumer preferences indicated by the value of consumer attitudes toward an object based on the level of confidence and level of consumer evaluation of the object, we assumes that the current PLB products have the quality of good and can compete with NB product, then with a cheaper price consumers will prefer PLBs. In one previous study also revealed that the success achieved by the PLB especially in some categories products because consumers more price sensitive (Sethuraman, 1995).

The relationship between price and quality are very close. Consumer will pay attention with the gap between price and quality possessed by a product and has to be considered in the purchase of a product. With high price-quality association so consumers will buy less PLBs product, where the perception is the more expensive price means that the quality also high. Therefore, lower the association of consumers against price-quality, sales of PLBs will increase. This is because the thought which says that it is not always a price lower then the overall quality is lower (Burton et al., 1998 and Richardson et al., 1996, quoted by Glynn and Chen, 2009).

Along with the increasing development of PLBs practice in recent years, scholars doing research from the aspect of supply-chain, companies or retailers as well as from the aspect of the consumer perspective. Based on the investigation area, the main focus of the research carried out is the interaction generated between store loyalty and product selection on PLBs and consideration of national versus private label brands (Hultman et al., 2008). The results of this research is still very diverse, so do not offer a consensus on what drives consumers to opt for PLBs, although the researchers also consistently suggest the importance of store loyalty in the purchase of PLBs and when consumers have a good association to a particular brand can be considerable influence in increasing customer loyalty, which indirectly implied increase the tendency of consumers to buy the brand (Bloemer and Ruyter, 1998, quoted by Koo, 2003).

Based on the explanation and theory as well as the underlying phenomenon in which more and more retailers are starting to produce PLB and so is the increasing consumer interest for products PLBs, we propose the following research hypothese:

H₁: Consumer factors have significant influence on PLB purchase intention.

Consumers will tend to buy PLB when retailers offer more products in combination between PLB and the NB because consumers can make choice by comparing quality and prices offered. This is of course supported by good quality possessed by PLB (Collins-Dodd and Lindley, 2003, quoted by Vahie and Paswan, 2006). Based on previous study described that promotions carried out by NB are actually able to help improve the purchasing PLB because if they can not get the NB products with promotional pricing, they used to buy PLBs with a cheaper price then the consumer will change their purchasing to products PLB (Kumar and Steenkamp, 2007). And support of a good and friendly service from service personnel held by the retailer, it can increase the tendency of consumers to buy the PLBs offered by these retailers (Gronroos, 1984, quoted by Pornpaiboon, 2008), because it can improve image owned by retailers. Based on the theories about the influence of store image on PLB purchase intention and when it knows the consumer propensity to buy PLBs when the store image is owned by a store that sells consumer PLB is considered good, so the hypothesis established is as follow:

H₂: Store image has a significant influence on PLB purchase intention.

Appropriate research model that PLB image moderating Consumer Factors and Store Image in consumer desire to buy a PLB is supported by a statement Vahie and Paswan (2006) in his journal that, according to Aaker (1991), Keller (1993) and also empirically supported by Faircloth, Capella and Alford (2001) that there is a direct relationship between brand image and brand equity, where the definitions of brand equity associated with differences in cash flow generated when a product has the name "brands" with products that do not have a "brand". This definition emphasizes the importance of brand equity in a company associated with consumer loyalty, revenue and cash flow. Based on the results of the study also found that a good brand image will be more selected as compared with its brand image is not good (Kwon, 1990, quoted by Vahie and Paswan, 2006).

Image of PLBs also moderate the store image based on theory of Collins-Dodd and Lindley (2003), quoted by Vahie and Paswan (2006) that stated a strong relationship between retail store image and the image of the PLB itself regarded as a fundamental requirement in creating a successful differentiation strategy. The researchers form 2 hypotheses as the following with the condition that the image of PLBs are considered good by consumers and supported by consumer factors and store image positively in influencing purchase intention PLBs.

H₃: Consumer factors that is moderated by PLBs image have a significant influence on PLB purchase intention.

H₄: Store image that is moderated by PLBs image has a significant influence on PLB purchase intention.

3. Research Method

3.1. Data Collection

This study used two types of data which were primary data and secondary data. Primary data is the source of research data obtained from employees that work location near to Supermall Kwaraci and students of Pelita Harapan University whose campus location near to Supermall

Karawaci. Primary data was collected by spreading questionnaire to respondents. Secondary data was collected from previous researches.

The method of data collection in this study was using non probability sampling with judgmental sampling. We use this method because of time and cost limitation (Sekaran, 2003). Criteria for respondents are visitors or consumers who have been purchase PLBs product Watson's at Supermall Karawaci.

Of the 175 questionnaires distributed, all questionnaires were returned, and there are 7 of them does not qualify for the sampled data due to incomplete filled. Of 168 eligible questionnaires used, only 150 questionnaires were taken to be used in this study. Here are profiles of the 150 questionnaire respondents. Gender of respondents is 82% were women and 18% were men; age of respondents is 25% below 21 years old, 52% age 22 – 31 years old, 19% age 32 – 41 years old, 3% 42 – 51 years old, and 1% above 52 years old; marital status 45% were married and 55% single; number of children is 27% 1 – 2 children, 5% 3 – 4 children, 69% no children; education of respondents are 43% below undergraduate, 55% undergraduate, and 2 above undergraduate; expenditure per month 57% below 3 millions, 31% 3 – 5 millions, 9% 6 – 10 millions, 3% above 10 millions.

3.2. Scale Development

Scale used in this study to measure the responses of the respondent is an interval scale. Interval scale is the scale where the distance between the answer obvious difference (Burns and Bush, 2000). Interval scale used in this questionnaire is using a Likert scale. Likert scale is a rating scale that requires respondents to indicate the level of agreement or disagreement about the statement (Malholtra, 2007). Likert scale had been use because this scale is the most commonly used in research. In the Likert scale will be used five scales for the measurement. In the use of Likert scales have balanced rating scale (neutral point), where there is an answer choices for respondents who want to answer neutral and is located at number three of five scale (Sekaran 2003), from each scale has a sequence range from strongly disagree to strongly disagree.

3.3. Measurement Test of Reliability

Reliability is the extent to which the results of a measurement can be trusted or relied upon (Azwar 2003). A reliable measuring instrument can be said if the instruments can provide measurement results that match what has been measured. Reliability of consumer instrument factors, store image, image PLBs, and PLBs Purchase Intention was measured using Cronbach Alpha reliability formula. Reliability testing using Cronbach Alpha coefficients indicate how well the items in the instrument used is positively correlated with one another (Sekaran, 2003). Cronbach Alpha is a reliability test of a questionnaire technique most often used, since it could be used in the questionnaire that the response of choice. According to Hair et al. (2010), the alpha coefficient value close to 1, then it indicates that the more consistent the results obtained thus are said to have high reliability.

3.4. Measurement Test of Validity

The test of validity of the instrument means the extent to which the accuracy and precision of a measuring instrument to measure function. Item analysis conducted to determine the quality of the items that become the benchmark to be measured from each scale. Test of validity will be done to a statement items in the instrument. The purpose of test validity is to find the items that the function declaration in accordance with the desired function in the study. On this case analysis factors is used to test the validity.

3.5. Construct Variable

In this study we use four constructs which are consumer factors, store image, PLBs image, and PLB purchase intension. Each construct have 15, 21, 10, and 4 indicators respectively. After being test of reliability and test of validity, items remain for each constructs are 15, 20, 9, and 3 respectively. The items of measures exhibit in Table 1.

Consumer factors. Consumer factors are factors that are owned by consumers who may have influence in the purchase of private label products. Consumer factors consist of four dimension price consciousness (Kotler, 2006), price-quality association (Kumar and Steenkamp 2007 and Yoo et al. 2006), brand loyalty (Kumar and Steenkamp, 2007 and Yoo et al., 2006), and quality variability (Kotler and Armstrong, 2008; Baumol and Ide, 1956; Lancaster, 1990; Kahn and Lehman, 1991).

Table 1. Operational Measures and Scale Reliability Values

Item	KMO	MSA
<i>Consumer Factors</i> ($\alpha = 0.863$)	0.837	
CF1 In making purchase I always do price comparison		0.797
CF2 In making purchase I'm feeling that the price is a major factor		0.856
CF3 In making purchase I'm trying to get the best price		0.856
CF4 Prices are in accordance with their quality		0.818
CF5 Price is an important indicator in measuring the quality of a product		0.882
CF6 The price indicates quality		0.724
CF7 The more expensive a product, the quality is getting better.		0.648
CF8 X provides products with quality and good value		0.899
CF9 In making purchase I tend to buy the same brand		0.879
CF10 In making purchase I tend to buy my favorite brand		0.814
CF11 In making purchase I tend to buy X PLBs brand		0.718
CF12 In making purchase I tend to prioritizing buy X PLBs brand		0.577
CF13 X PLBs brand have a good quality		0.847
CF14 X PLBs brand have a same quality as NBs		0.895
CF15 X PLBs brand quality is not inferior as NBs		0.836
<i>Store Image</i> ($\alpha = 0.886$)	0.835	
SI1 The layour of store pretty good.		0.880
SI2 I can feel freely around		0.881
SI3 I feel easy to find the product I was looking for		0.851
SI4 Height of shelves are correct		0.835
SI5 Location of merchandise easily accessible		0.816
SI6 X has a display booth more interesting than similar stores		0.898
SI7 I prefer shopping at X because often provide programs promo		0.805
SI8 I prefer shopping at X because often provide "Purchase with Purchase" promo		0.778
SI9 I prefer shopping at X because often provide price promotion		0.864
SI10 I prefer shopping at X because often provide price discount		0.850
SI11 I was shopping at X is because the employees was friendly		0.798
SI12 I was shopping at X is because the employees was polite		0.886
SI13 I was shopping at X is because the employees was helpful		0.846
SI14 I was shopping at X is because the employees was responsive		0.894
SI15 I was shopping at X is because the employees was informative in providing information about the products sold		0.849
SI16 I prefer visiting and shopping at X because it has a wide range of product choices		0.810
SI17 I prefer visiting and shopping at X because provide plenty of brand choice.		0.798
SI18 I prefer visiting and shopping at X because provides a wide range of X PLBs.		0.734
SI19 I prefer visiting and shopping at X because provides a wide range of products NBs.		0.731
SI20 I prefer visiting and shopping at X because providing options that vary for each product category		0.760

Table 1., Continued...

Item	KMO	MSA
Private Label Brand Image ($\alpha = 0.800$)	0.813	
PLBI1 X PLBs havae a good quality.		0.773
PLBI2 I'm feeling satisfied with the quality of X PLBs.		0.835
PLBI3 The X PLBs quality possessed same quality as NBs products		0.860
PLBI4 The quality of X PLBs is in accordance with the price offered		0.799
PLBI5 I am happy to shop at X store because I like the X PLB products		0.833
PLBI6 I am happy to shop at X store because I satisfied with X PLB products		0.750
PLBI7 I am happy to shop at X store because X PLB products are my favorite.		0.783
PLBI8 I am happy to shop at X store because provide vary of the products.		0.833
PLBI9 I am happy to shop at X store because most of X PLBs product make me satisfied.		0.814
Purchase Intention ($\alpha = 0.662$)	0.603	
PI1 I will often buy a X PLBs		0.665
PI2 Most likely I will try to buy other X PLBs products.		0.585
PI3 I have plan to buy X PLB in this month.		0.587

Store image. Store image is retail store's personality (Kunkel and Berry, 1968). Store image in this research consist of three dimensions are employee services (Parasuraman, Zeithaml and Berry 1985; quoted by Pornpaiboon, 2008), value (Kumar and Steenkamp, 2007), and merchandising (Collins-Dodd and Lindley, 2003 quoted by Vahie and Paswan, 2006).

PLBs image. PLBs image is the perception held by consumers as a reflection of the association that has been formed in the minds of consumers (Kotler, 2006).

Purchase intention. Purchase intention is subjective preferences of consumers towards a particular product (Esch et al., 2006) or desire of consumers to buy product which is influenced by price, brand and store effect (Dodds et al., 1991).

4. Results and Discussions

4.1. Research Findings

The main goal of the study was to analyze the effect of consumer factors and store imahe which is moderated by PLB image towards PLB purchase intention. To test our research hypotheses we estimated a general linear model (GLM) using SPSS 15. This approach is used to demonstrate the relationship between several independent variables on one dependent variable. This technique is useful to analyze the dependent variables more than two interval or ratio scale.

The model conceptualized in Fig. 1 show that the general linear model as bellow:

$$PI = \beta_0 + \beta_1 CF + \beta_2 SI + \beta_3 PLBI + \beta_4 (CF * PLBI) + \beta_5 (SI * PLBI) + \epsilon$$

Information:

- PI = Purchase Intention
- CF = Consumer Factor
- SI = Store Image
- PLBI = Private Label Brand Image
- β = coefficient regression
- ϵ = standard error of estimation

Tests of between-subjects effects of consumer factors and purchase intention is significant. Significant value for that relationship is 0.000, this show consumer factors has significant relationship to purchase intention. Coefficient for relationship between consumer factors and purchase intention is 0.514. This score show increasing 1 unit in variable consumer factors will increase 0.514 in purchase intention with the assumption that other variables are constant.

Tests of between-subjects effects of store image and purchase intention is significant. Significant value for that relationship is 0.000, this show store image has significant relationship to purchase intention. Coefficient for relationship between store image and purchase intention is

0.439. This score show increasing 1 unit in variable store image will increase 0.439 in purchase intention with the assumption that other variables are constant.

Tests of between-subjects effects of consumer factors and purchase intention which is moderated by PLB image is significant. Significant value for that relationship is 0.000, this show consumer factors has significant relationship to purchase intention moderated by PLB image. Coefficient for relationship between consumer factors and purchase intention which moderated by PLB image is 0.310. This score show increasing 1 unit in variable consumer factors moderated by PLB image will increase 0.310 in purchase intention with the assumption that other variables are constant.

Tests of between-subjects effects of store image and purchase intention which is moderated by PLB image is significant. Significant value for that relationship is 0.007, this show store image has significant relationship to purchase intention moderated by PLB image. Coefficient for relationship between store image and purchase intention which moderated by PLB image is 0.331. This score show increasing 1 unit in store image moderated by PLB image will increase 0.331 in purchase intention with the assumption that other variables are constant. Summarize of research finding exhibit on Table 2.

Tabel 2. Construct, hypotheses, β coefficient, findings (n = 125)

Constructs/Paths	Hypotheses/(expected sign)	β coefficient	Findings
CF \rightarrow PI	H ₁ (+)	0.514	Supported
SI \rightarrow PI	H ₂ (+)	0.439	Supported
PLBI*CF \rightarrow PI	H ₃ (+)	0.310	Supported
PLBI*SI \rightarrow PI	H ₄ (+)	0.331	Supported

4.2. Discussion

The goal of present study is to analyze the effect of consumer factors and store image which is moderated by PLB image towards PLB purchase intention. In the following, the implication of our findings for managers and researchers as well as limitations and future research directions are highlighted.

4.2.1. Consumer Factors

Consumer factors have a significant influence on PLB Purchase Intention. The result of this research shows that the consumer factors play an important role in influencing consumers to have intention to buy the PLB product. Consumer factors that influence them to buy PLB product are the price and satisfied of the quality. In purchase PLB product they tend to buy same product or favorite one. This research supports the idea that say it is not always a price lower then the overall quality is inferior or lower (Burton et al., 1998 and Richardson et al., 1996 cited by Glynn and Chen, 2009).

The study also show that loyal consumers in will continue to use the brand, although faced with many competing products that offer superior characteristics. Purchases can be regarded as exclusive to brand loyalty when consumers consistently purchase on the same brand (Brown, 1952 cited by Koo, 2003). Bloemer and Ruyter, (1998) cited by Koo (2003) state that when consumers have a good association to a particular brand then this has considerable influence in increasing customer loyalty, which indirectly implied in increasing the tendency of consumers to buy that brand. The results of this hypothesis also can be strengthened by the theory of Dick, Jain, and Richardson (1995) as cited by Glynn and Chen (2009), the trend in the purchase of PLBs will be higher when the quality difference that exists between the NBS products and PLBs are low.

For managers or retailers, consumers do comparison on price with other similar store, so important for retailers periodically to review the price compared with its competitors. It also may be one factor that helped in setting strategy for retailers as well as to maintain and enhance customer loyalty. Another alternative to capture customer loyalty is by holding a membership

program. By this program, retailers can determine consumer characteristics, which can help to conduct the differentiation strategy also can be used to conduct promotional programs that are more personal, such as sending birthday via email along with a special promotion program provided to consumers. Retailers also can do research to find out the expectations of consumer-related product diversity that is expected to be bought or found by consumers in store. Retailers periodic can analyze on sales that have been carried out based on product category and then perform classification based on the volume of the most widely purchased products or sought. With the data obtained is also can be used to set a pricing strategy, especially for fast moving *goods by renegotiating with suppliers to obtain better prices from suppliers or by applying the method of "economies of scale"*, could get a cheaper price with the volume greater. With the cheaper price to sell in greater volume, although margins are obtained for each of the goods is more lowered.

4.2.2. Store Image

Store Image has a significant influence on PLB Purchase Intention. The result of this research shows that store image plays an important role in influencing consumers to have desire to buy PLBs product. Some of the factors that attract consumers to visit store is the look of the stores are interesting, diverse product selection and promotion programs or discount that quite often, and also the location factor. Store the image that is created is the result of a combination of several attributes that are owned by the retailer such as store atmosphere, merchandising, employee service and value. Arrangements shop attractive, neat and the lighting is make consumers interested to visit and shop at store. It also can be connected with one of the opinion that the formation of the image is created by combination of attributes possessed by retailers these, such as shopping environment, the services provided, variations in products offered, and quality of products offered (Bao, Bao, and Sheng 2010). Good service that consumers can feel comfort can be one important factor.

Range of products offered by retailer also influence consumers just to shop at the store without the hassle visit another store. variant or the more options offered within a product will increase the probability of intersection between consumer preferences and characteristics of choice alternatives (Baumol and Ideas, 1956, Lancaster, 1990). Variant or the more options offered within a product will increase the probability of intersection between consumer preferences and characteristics of choice alternatives (Baumol and Ideas, 1956; Lancaster, 1990). According to Kahn and Lehman (1991), the more kinds of options, the higher consumer preference because of the flexibility.

4.2.3. PLB Image

Consumer factors and store image moderated by PLB Image have a significant influence on PLB purchase intention. PLB Image in this study were within the scope of quality (PLB quality) and how PLB preferred by the consumers (PLB-affective). Quality of product that satisfied consumer will lead to good image. Also the price of PLB will attract consumer to shop in the store. Consumer satisfaction also leads to brand loyalty.

PLB Image also moderates the store image and has a significant impact on consumer desires in the purchase of PLB. based on the results of research conducted show that desire of consumers to visit and to buy products PLB besides influenced of PLB image is also influenced by store image as well as store atmosphere or the physical characteristics and atmosphere of the store, the service clerk, the range of products provided, and from value creation programs offer such as promotions or discounts. The research supports the opinion of the Collins-Dodd and Lindley (2003), quoted by Vahie and Paswan (2006) that a strong relationship between retail store image and the image of the PLB itself regarded as a fundamental requirement in creating a successful differentiation strategy.

For managers or retailers, they must maintain PLB image that they have created, especially from the side of quality so that consumers can continue to feel satisfied and will continue to be

users of their PLB. Thing that can be applied in maintaining the consumer PLB and also to be able to attract new customers is by maintaining and improving product quality of PLB by increasing the RandD to develop products that more accepTable to society or consumers on the importance of maintaining balance and environmental protection "Go Green" and the incessant action of the importance of maintaining a healthy body.

4.3. Limitation and Future Research

Further research needs considering about the attributes of the location because one of the factors that encourage consumers to shop at PLB store was their ease in reaching the location and also because of frequent consumers through the PLB stores. The location should be a concern as one of the attributes of store image in subsequent research, such as the ease of access, whether the store can easily be seen by consumers who also linked to traffic in the mall or even examine the location which is not in the mall.

However, further research can also add variables on product attributes, especially for packaging, because one that encourages consumers to visit and shop is an attractive product packaging are laid out nicely in front of the store.

Further research can also use other PLB retailers and other product categories such as food or clothing because of the results of this study may not be used in general or generalized to other retailers in other product categories PLB.

Further research may also involve factors such as the media campaign and advertising brochures or advertisements both print and electronic media, which according to the results of interviews with the consumer, the brochure is also, influenced they desire to visit and shop at PLB store. It should be further examined on media relations campaign that used by the retailer and its influence on purchase intention.

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