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Private labels and the purchasing behaviour of young Polish consumers in the market

Initially, private labels were associated with low quality and unknown composition. Due to product innovations, it is increasingly difficult to distinguish a private label of a retail chain from a so-called mass brand produced for the general population and available to every consumer. It is important to adapt the product to consumers' expectations. The range of private label products includes products for everyday use, luxury items, diet or organic products. It should also be highlighted that private labels are an important part of trade today. The article attempts to provide some insight into the purchasing behaviour of young Polish consumers towards private labels and manufacturer brands. The first part synthetically explains the concept and essence of the private label, key factors influencing consumers' attitudes towards brands and purchasing behaviour towards private labels. The next section focuses on the conceptualisation of the research and describes the research sample and its characteristics. Based on the conducted research, the final part of the article attempts to identify the purchasing behaviours of young Polish consumers towards private labels.

Keywords: private label, manufacturer brand, young consumers, consumer behaviour

Introduction

In the purchase decision-making process, an important role is played by a product brand that can be perceived as a proof of the quality of a given company. The “world” of contemporary brands is constantly evolving primarily as a result of technological development and social changes that are significantly affecting consumer behaviour (Fall-Diallo et al., 2015: 195–196). An attitude towards the brand can influence the

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final choices and behaviour of consumers. Retail chains are currently investing in improving the quality of private labels which are not only goods placed on the shelf but also evidence of the quality of a retail network's brand in the eyes of consumers (Horvat, Ozretić-Došen, 2015: 60). The dynamic expansion of private label products in the European market indicates that the issue of consumer attitudes towards such products, underestimated by researchers in Poland, may prove to be highly useful not only in the theoretical aspect but primarily because of its possible practical implications. Private labels are among the most characteristic elements of modern trade and are becoming more and more popular among many buyers, especially young consumers.

Young consumers were chosen for the research in view of their growing importance and decision-making power in today's households, and because they respond to the changing environment, globalisation and its impact on consumption, lifestyle and emerging new consumer trends more intensely than other market participants. Undoubtedly, understanding their reasons, behaviours and market attitudes can help enterprises not only to decide on appropriate innovative marketing strategies but also to determine the right development path, allowing companies to remain in the market and make their product (service) offer attractive to new customers, especially young ones, despite dynamic changes in consumption and ever faster development of mobile technologies and applications.

The article attempts to provide some insight into the purchasing behaviour of young Polish consumers towards private labels and manufacturer brands. With this in mind, three research hypotheses were put forward:

H₁: Young consumers' loyalty to and trust in manufacturer brands do not affect their attitude towards private labels.

H₂: Young consumers' tendency to do smart shopping does not affect their attitude towards private labels.

H₃: Selected socio-demographic characteristics of young consumers (education, disposable income, household size) do not significantly affect their choice between a private label and a manufacturer brand.

The structure of this article is as follows. The first part synthetically explains the concept and essence of private labels, key factors influencing consumers' attitudes towards brands and purchasing behaviour towards private labels. The next section focuses on the research conceptualisation and a description of the research sample and its characteristics. Based on the conducted research, the last part attempts to identify purchasing behaviours of young Polish consumers towards private labels. Finally, major conclusions end this study.

The essence of private labels and prospects for their development

A private label is most often defined as a commercial brand which is a designation of products commissioned to be produced by various manufacturers and distributed through a retailer's (the ordering party's) chain (Gómez-Suárez, Quiñones, Yagüe-Guillén, 2017). According to AC Nielsen, private labels are owned by a chain of retail or wholesale companies and refer to products offered exclusively by these companies under their direct control (Pepe, Abratt, Dion, 2011). It should be noted, however, that private labels of retail chains are clearly different from manufacturer brands. In this case, the owners of trademarks, names and recipes are retail chains rather than companies producing the products. It is chains that outsource production to various companies, provide know-how and watch over the quality of delivered products. They can change the subcontractor at any time and transfer the production to another company. A manufacturer that has signed a contract for the production of private labels does not have to invest in promotion or advertising. Without these expenses, it is guaranteed constant sales of its produce.

The first private labels were introduced in 1869 by the British chain Sainsbury's. D. Gilbert points out that the development of cooperatives in the United Kingdom in the 1870s resulted in the introduction of the first private labels that gradually replaced generic (white) brands distinguished by low price and basic (white) packaging (Gilbert, 1999: 265). In the United States, precursors of private labels are grocery chains, including A&P offering its private label products since the 1920s. In Europe, in 1924, Tesco launched the "Tesco" tea (from which it took over its name). In the inter-war period, food products began to be sold under private labels by the Swiss chain of the Migros food cooperative and by the French Monoprix chain. Further steps towards the development of private labels were made by the French Carrefour company, which launched unbranded products in the 1970s. Those products competed with well-known trademarks primarily on price, which was even 20–40% lower (Lubańska, 2011: 84). By entering the market, private labels significantly expanded buyers' choice; however, by offering a lower price compared to their branded counterparts, they also represented a lower quality and were identified as such (Goldsmith et al., 2010: 339). The 1980s were the next stage of the evolution of private labels. Due to increasing competition among retailers, more attention was paid to the product quality and products with the logo of a retail chain were clearly identified. As a result, the so-called premium private labels appeared. They were introduced to the market by, among others, Sainsbury's, Albert, Heijna (or Ahold – a Dutch supermarket chain), Casino (owning, for example, the Géant hypermarket chain) and Carrefour. The first generation of private labels includes basic products from a given commodity group, in basic packaging versions, sold at the lowest price. Individual, selected products from particular commodity groups were placed on shelves and labelled so as to form associations with the lowest retail price. It was the price that was to encourage cus-

tomers to buy a product. The second phase of development is an attempt to change the image of private label, notably its quality perception. In that phase, retailers began to introduce their own label designs. They also started to control the quality while maintaining the lowest retail price in a given commodity group. They sought to increase the margin and reduce the strength of suppliers by launching the cheapest products. The third generation of labels assumes copying the product attributes of the leader in a commodity group and offering the product at a lower price. The strategy of maintaining and developing private labels is “me too” in relation to the leader brands in certain categories. The product quality and packaging with its graphics, grammage and shape explicitly refer to the brand of the leader, thus evoking the association with a known brand. The fourth, and so far the last, generation of private labels began to develop in the first decade of the 21st century. Such products are distinguished by good quality appreciated by consumers and the lowest possible price. The owner (retailer or wholesaler) is the creator of the product attributes. In that phase of development, the range was expanded to include also commodity groups sold at higher prices, niche products and products targeted at the premium segment. Retailers could not remain indifferent to the growing dynamics of sales in segments with the highest income. They mainly sought to build the desired image, increase customer loyalty and stand out in the market by developing a unique offer of often niche products available only at their points of sale (Calvo-Porrall, Lévy-Mangín, 2014; Stanton et al., 2015; Abril, Rodríguez-Cánovas, 2016). The range was expanded by introducing luxury, eco-friendly and low-calorie/dietetic products.

At the beginning of the 21st century, retail chains began to treat the private label policy as an important element of their marketing strategies. A diverse portfolio of brands became a valuable source of positioning and competitive advantage. There are numerous types of commercial brands created by retail chains. The main commercial brands include (Domański, 2001: 124–125):

1. Flagship products. The launch of such products was primarily driven by the wish to reduce marketing and distribution costs by offering products at lower prices to customers. The precursor was the Carrefour chain, followed by Euromarché (orange products – *produits oranges*), Géant (white products – *produits blancs*), Casino (products worth trusting – *produits grande confiance*).
2. Exclusive (discount) brands. Exclusive brands were introduced by discount chains. They were first offered to customers by Lidl and Aldi. Exclusive brands were and still are marked with a special commercial brand. Their prices are much lower than the prices of products of well-known manufacturers.
3. First-available-price private labels. Such private labels were intended to offer customers the opportunity to buy a given type of products at the lowest price in the market.
4. Private labels – exclusive brands of chains. This category is characterised by the quality (often assured by independent laboratories) comparable to brands

of leading manufacturers and by a lower price. Such labels are also referred to as “fighter brands” or “counter-brands”. The main benefit resulting from the introduction of this group of brands is that it can be continuously expanded.

5. Retail chain brands. The foundation for creating this category of brands is the chain image in the group of loyal customers. Retailer chain brands comprise various product groups that are given the chain’s name. These are usually products of higher-quality first-available-price brands, packed similarly to the brands of leading producers. Their price is usually lower than the prices of brand products of well-known manufacturers.

Recent research shows that the perception of private labels by consumers has changed over the years (Rossi et al., 2015: 74), and these labels are constantly evolving and growing in importance in retail (Beristain, Zorrilla, 2011: 563). Retailers continue to improve their quality, reposition them, and try to build their image that is to ensure their independent market position rather than an image of imitations of other renowned national brands (Mieres et al., 2006: 61–82). According to the Deloitte report (2014), nine out of ten US consumers consider private labels to be as good as national brands. In Britain, in turn, almost half of consumers believe that private labels and national brands are produced by the same factories and only wrapped in different packaging. As many as 59% of Britons claim that manufacturer brands are more expensive than private labels only because of advertising and marketing costs rather than better quality of raw and other materials used to produce them. As argued by Nielsen, private labels sell best when they offer hardly diversified products that are non-innovative and frequently purchased, for example milk, rice, oils, tissues and paper towels. Manufacturer brands effectively fight for customers with highly varied products where there are many new products and marketing campaigns, for instance in the hair cosmetics, toothpastes and detergents markets (Euromonitor International, 2014).

Although consumers declare that their decisions are based on product quality and properties (taste, performance, etc., depending on the product type), the recognisability of the logo on the packaging strongly affects consumers’ perception and purchasing behaviour. In addition, the logo of a known producer means that consumers perceive the product taste and quality as better than when they assess the same product in a “blind test”, as demonstrated by research (Fornerino, d’Hauteville, 2010: 35; Cuneo, Lopez, Yague, 2015: 954–955). When launching a private label, a retail chain has to decide on the strategy of its communication, and thus the name of the emerging label.

According to “The Rise And Rise Again Of Private Label” report by Nielsen (2018), the ongoing revolution will change the food industry around the world in five years. The revolution concerns the development of private label products and new challenges that manufacturers worldwide will have to face as retailers are developing, improving and launching their own products rather than international manufacturer brands. Research conducted in over 60 countries shows that private label products are gaining their market share in all the countries surveyed. A constantly

increasing number of retail shops over the last decade has provided buyers with wider access to private labels and manufacturer brands. In recent years, private labels have gained a new way of reaching the consumer – through e-commerce. In addition to e-commerce, the growth in popularity is also accompanied by globalisation of other shopping trends (e.g. showrooming). This growth is also accelerating wherever the structure of trade is disturbed, that is where the market share of discount shops is rising in highly developed Western European countries. Through unlimited access to the Internet, consumers can easily find all the information they need. As a result, their expectations and purchase decisions are changing as compared to previous years. Currently, many people perceive private label products as equivalents of or substitutes for producer brands (The Nielsen Company, 2018: 3). Given that the prices of discounters' products are much lower than the prices of well-known brand products and their quality is at least comparable, private labels are perfectly placed to develop further over the next years. It should also be borne in mind that discounters have closer contact with consumers and wider access to information about the sales of other brands and their products, hence they are more flexible and able to respond faster to the changing needs of consumers.

Consumers are thought to buy more private label products when the national economy is struggling with problems. This is when consumers can lower their expectations so that they can save more. It can therefore be argued that an economic crisis is the force driving the market share of private labels. When the economy starts to expand, consumer behaviours developed during a recession often remain unchanged, which also contributes to improving the situation of private labels. Recovering from an economic crisis, consumers will be more cautious about spending on their households, having already developed the habit of searching, saving and expecting the value of goods in exchange for their money. Private labels can also grow in developing countries and those that are recovering from an economic crisis or stagnation. Looking into the future, commercial brands may follow many paths towards growth in markets around the world.

Determinants of consumers' attitude towards brands

The consumer's choice of a brand is a process (Sethuraman, Gielens, 2014). Its first step is to get information about all brands available in the market (a known set). From among them, the consumer selects individual brands that meet predetermined criteria (a considered set). As the amount of information about brands increases, the number of brands is reduced and the choice becomes confined to the selection set. All brands in this set can be selected by the consumer because they are closest to the consumers' preferences. In order to understand how the consumer makes final decisions, it is necessary to identify determinants influencing this process.

A strong market position of the brand owner reduces the risk associated with the choice of the product by the consumer. Even if the consumer did not know the product before but knows the brand due to its strong position in the market, he or she is more likely to buy the product. The perception of product quality depends on the needs felt by the consumer. This element of attitude is also influenced by the product attributes, properties and functions as well as the quality of the packaging consisting of the product safety and appearance. If the brand is correctly positioned, appropriate symbols are anchored and the right images are used, the brand owner can create associations with the brand and evoke emotions in consumers. What emotions will be evoked and how strong associations with the brand consumers will have depends on the values that they cherish, on whether they will be interested in the received information and, consequently, on how much of it they will be able to process and assimilate.

Thanks to the information on the packaging, it is much easier for consumers to assess the brand, even if they did not know it before. Direct access to product information reduces the need to look for additional information about the product in external sources. This increases the sense of security and mitigates the risk associated with the purchase (Cyran, 2016: 116). All information reaching consumers and marketing activities to which they are exposed contribute to the increase of their knowledge about the brand.

Consumer preferences regarding convenience can have a significant impact on the final decision about the choice between a private label and a manufacturer brand. Given the nature and distribution method of private labels, access to them is limited by their owners' outlets, which may discourage some consumers.

Among the factors influencing consumer perception of the brand, an important role is played by trust. It is highly meaningful in trade today. It defines relations between market participants and is also a reason for entering into commercial transactions. All companies fight to gain and maintain trust in the product, brand, point of sale and distribution method. It is important that the company consistently manages trust, both in it as a whole and in its individual brands. The very concept of trust is of interest to researchers in many fields of science such as psychology, management or sociology. As claimed by A. Sankowska (2011: 34), trust is readiness to become sensitive to the behaviour of the other party and is based on the estimation of the other party's credibility under risk. Another definition of trust relies on its presentation as a belief forming the basis on which "individual A, in a particular situation, agrees to be dependent on individual B (person, object, organisation, etc.), feeling relatively safe despite possible negative consequences". Trust can also be treated as a sense of security felt by the buyer in contact with the brand. This feeling is aroused by the belief in the reliability of the brand and its positive effect for the benefit of the consumer (Molinillo et al., 2016). From a marketing perspective, trust is perceived as the actual building of the brand position, allowing customer expectations to be met or exceeded.

Due to intensifying competition among more and more brands in the market, brand owners need to focus on building the strength and value of their brands. Brand strength is determined by related associations and experiences. What distinguishes strong and weak brands is, above all, positive, strong and unique associations on which the final decisions made by consumers depend. In order for the consumer to be able to distinguish between available products, it must be ensured that they contain an appropriate combination of colours, patterns, symbols, and that they evoke associations that allow remembering a specific product (Simões, Dibb, 2006: 217).

Owners of brands that consumers trust may sell their products at a much higher price than those that have not won consumers' trust. This is because consumers are willing to pay a higher amount for brands that they trust, when they have quality assurance and perceive the supplier as trustworthy. This is directly connected with the concept of consumer loyalty that may manifest itself through behaviours (Kucharska, 2017: 260):

- making regular, repeated purchases from a chosen retailer,
- increasing the value of purchases from one chosen retailer,
- recommending and voicing positive opinions about the retailer,
- remaining indifferent to the actions of competitors,
- supporting the company by advising, expressing opinions in order to help,
- tolerating minor mistakes made by the retailer.

Purchasing behaviour of young consumers towards private labels

Owners of private labels invest in their development and seek ways to distinguish them from among a growing number of products available in the market. They attempt to satisfy the changing needs of consumers, while achieving a satisfactory profit. How and where consumers shop have changed as compared to previous years. Nowadays, people are becoming more and more conscious consumers and, consequently, are looking for good quality at a good price. However, Nielsen's research shows that they are nevertheless willing to spend more money on premium products, especially when the product has something that makes it stand out from other ones (The Nielsen Company, 2018: 12). Before making a decision, consumers check and assess whether the purchase of products that they intend to buy is reasonable. They assess the price of individual goods and the entire basket, comparing the offers of various retail chains. If consumers take the liking for the products of a retailer and accept its prices, they will often buy more than they initially planned (Bigné, Borredá, Miquel, 2013: 3–4; Łukasik, Schivinski, 2015: 222).

Demographic change is a huge challenge and opportunity for private label owners. It is expected that within 5–10 years, Millennials, a group born after 1986, will replace Baby Boomers (born in 1946–1964) as a generation with the highest purchasing power.

In comparison to older generations, Millennials are more open to new products (including private labels) and expect products to be more functional and comfortable to use. Therefore, loyalty to any brands (both private labels and manufacturer brands) may be less and less frequent. They are aware of the value, hence they thoroughly and long search for information before making a purchase decision and choose private label products if their quality does not differ from the quality of products of well-known manufacturers.

The choice of private labels is often driven by the characteristics associated with economic benefits and costs, while the purchase of manufacturer brands may result from hedonistic benefits and pleasure. The behaviour of buyers towards private labels and national brands is also affected by their self-perception as smart shoppers, in addition to the price/quality relationship, trust and awareness of value. Smart shoppers' knowledge translates into their increased awareness of value and far more developed ability to assess the attractiveness of the offer. Smart shoppers much better know promotional offers available in the market compared to other consumers. Therefore, they know when it is best to shop and where to buy the product that they are interested in. The development of modern technologies helps consumers to save time spent on shopping, and unlimited access to the Internet allows buyers to find even more offers in a much shorter time than before, without having to leave home. The result is a more rational and more efficient allocation of money for purchases. It should be remembered that universal access to the Internet permits consumers to freely share the experience of buying cheaper equivalents of well-known brands and recommend them (Rostek, Zalega, 2015: 182).

In the Nielsen survey, six out of ten consumers in the world claim that they feel as smart shoppers when they buy private labels. Since the last global economic crisis in 2008, reasonable and deliberate shopping – the search for the best quality at a good price – is growing in popularity. This favours the development of private labels of retail chains. As many as 2/3 of the survey participants say that they offer a very good price/value relationship. A good image is enjoyed by private labels not only in developed countries, with Europe in the first instance, but also in developing countries, where they are just hitting the market (<https://www.rp.pl/Handel/301059973-Marki-wlasne-detalistow-wypieraja-producenckie.html>, access: 15.06.2018).

As regards the product price as the most important factor influencing consumers' purchase decisions, it is worth noting the difference between “smart” and “budget” shoppers. In contrast to budget shoppers, smart consumers do not look for goods at the lowest possible price and are not forced to buy cheap products. They choose goods for which they will pay an optimal price in relation to the benefits received in return.

H. Leppänen and Ch. Grönroos (2009: 1) present hybrid consumers, namely those who disregard mid-priced products, because they look for a combination of two types of consumption – luxury and discount. Such consumption is not automatically associated with high social status or high earnings. It is more related to the need for hedonistic benefits and refers to the buyer's personal values and beliefs. When

choosing basic food items, hybrid consumers will opt for products of a relatively high quality at a low price, whereas they can pay much more for premium products to achieve image-related and emotional benefits. An example is a customer of discount chains who uses only Dior perfume on a daily basis. The number of such consumers is growing in the market, potentially providing private label owners with a great opportunity to attract another category of buyers.

Another category of consumers are shoppers referred to as value seekers. Just like smart shoppers, they look for products of high quality for little money. This group is difficult to characterise and standardise, because it comprises “bargain hunters”, “patient consumers” (who can wait for a longer time until the bargain appears) and “cautious consumers” who are afraid of debt and postpone the purchase until they accumulate the right amount without taking out a loan. The common denominator of these groups of consumers is the conviction that the purchases made are not a waste of money but a value in the form of the purchased good. They are reluctant to spend money on intangible goods such as travel or parachute jumps, because they do not regard experiences as value. Therefore, this category of consumers is also promising from the point of view of private label owners.

Research conceptualisation

The tool used to conduct the research was my original questionnaire comprising 50 closed-ended questions regarding young consumers’ purchasing behaviour towards private labels and producer brands. The survey was carried out from February to 1st May 2018. In this article, those between 18 and 34 years of age are considered to be the population of young people. The upper age limit, that is 34 years, is regarded as the end of youth in the Polish literature. The participants were recruited via the “ankietka.pl” website and social media such as Facebook, Whatsapp, Messenger, and e-mail. In order to partake in the survey, those interested had to visit a specific website containing the questionnaire. It was also distributed across special forums, university and private school fanpages. In accordance with the research assumptions, the sample included persons aged 18–34, representatives of Generations Y and Z, who took independent purchasing decisions in the market. In order to select the sample, the selective quota sampling procedure was used. The characteristics (quotas) covered by the research were: sex and age. During the data processing, information from respondents was eliminated if the questionnaires were incomplete or incorrect (17 instances). From among 606 initial questionnaires, 589 were considered eligible, representing 97.19% of the total sample. Further, they were coded, and the data set thus created was processed by a statistical package. In the verification of all analyses, a significance coefficient was used at the level of $\alpha = 0.05$, which allowed the variables to be considered statistically significant at $p < 0.05$. For the statistical analysis of the data, the statistical package SPSS, version 23, was used.

Selection and characteristics of the research sample

589 people took part in the survey, including 325 women and 264 men. Nearly half of respondents lived in cities of more than 500 thousand inhabitants. Every third participant had completed secondary education, less than 2/5 of respondents held a bachelor's or engineering degree, and every fifth held a master's degree. The average age of respondents is around 25 years. They were mostly students who combined studies with work, whereas the unemployed formed the smallest group. Almost half of respondents lived in cohabitation or LAT (Living Apart Together) relationships. More than 2/5 of them were single and one in eight was married. As regards monthly disposable income per capita, the largest group earned from PLN 2000.00 to PLN 3999.00. However, astonishingly many (almost half of respondents) assessed their current financial situation as good, and 5.9% as very good.

Purchasing behaviour of young consumers towards private labels – research results

The survey shows that over 4/5 of respondents have a favourite product that they buy regularly. Nearly 3/4 of those surveyed said that they were loyal to a particular brand. 82.2% of respondents buy private label products of retail chains. According to those surveyed, the product categories with the most preferred private labels include: chemical products (23.6%), food products with a longer expiry date (21.4%), manufactured articles (19.3%), and fresh food products (15.7%). Goods that are associated with safety, high quality and confidence in a brand such as large electronic products or medicines are bought least frequently.

A well-known product brand has a significant impact on purchase decisions made by 46.7% of respondents. The presence of a well-known manufacturer's logo does not affect the decision to purchase a product only in the case of 3% of young consumers participating in the survey.

Product availability significantly affects purchase decisions of more than 3/5 of respondents and has a small impact on decisions made by every third survey participant. In turn, good product quality is important for 94.8% of them. The remaining 5.2% of respondents said that this product attribute affected their purchase decisions to a small extent. None of them stated that it was a factor not affecting the purchase decisions. In turn, a low (attractive) price has a vital impact on 2/5 of respondents, whereas it has only a small influence on over half of them. For 6.7% of the young consumers surveyed, a low price has no bearing upon their purchase decisions.

Further questions in the questionnaire concerned manufacturer brands and private labels. A preliminary analysis of the empirical material obtained in the survey indicates that 67.4% of respondents read product labels to compare manufacturer brand and private label products. Almost all respondents (93.3%) admitted that they would choose a private label product if it had the same composition as a product of a well-

known manufacturer and a lower price. Only 5.6% of them would not choose private label products despite the guarantee of the same quality. It should also be noted that more than 4/5 of respondents perceive private label products as good substitutes for brand products of renowned manufacturers.

The survey reveals that 61.5% of young consumers consider themselves to be smart shoppers. These are mostly female university graduates aged 24–29 who earn a monthly disposable income of above PLN 4000.00 per capita and live in large urban agglomerations.

In order to answer the question of whether young consumers' loyalty to and trust in manufacturer brands have an impact on their attitude towards private labels, the answers regarding loyalty to the brand and purchase of private label products of retail chains were juxtaposed.

Table 1. Loyalty of the young consumers surveyed and the purchase of private label products

		Are you loyal to the brand?		Total
		yes	no	
Do you buy private label products of retail chains?	yes	N	353	484
		%	81.8%	82.2%
	no	N	79	105
		%	18.2%	17.8%
Total	N	432	589	
	%	100.0%	100.0%	

Source: the author's research.

The analysis shows that people who declared loyalty to the brand and at the same time bought private label products of retail chains accounted for 81.8% of the total sample. 83.3% of respondents said that they were not loyal to manufacturer brands, but at the same time bought private label products of retail chains. The χ^2 test did not reveal any relationship between loyalty to the brand and purchase of private label products ($\chi^2_{(1)} = 0.041$; $p > 0.05$).

Another analysis was intended to answer the question of whether there is a relationship between purchasing private label products of retail chains and having favourite products bought regularly. It appears that there is no correlation between these variables ($\chi^2_{(1)} = 3.925$; $p > 0.05$).

Table 2. Favourite products of the consumers surveyed and the purchase of private label products

		Do you have a favourite product that you buy regularly?			Total
		yes	no		
Do you buy private label products of retail chains?	yes	N	414	70	484
		%	79.8%	100.0%	82.2%
	no	N	105	0	105
		%	20.2%	0.0%	17.8%
Total		N	519	70	589
		%	100.0%	100.0%	100.0%

Source: the author's research.

A preliminary analysis of the empirical material allowed for concluding that almost 4/5 of respondents have a favourite product that they buy regularly and at the same time purchase private label products of retail chains. No young survey participant who did not regularly buy a favourite product purchased private label products of retail chains.

Another issue in the survey referred to smart shopping in the context of the purchase of private label products by respondents (Table 3).

Table 3. Smart shopping and the purchase of private label products

		Do you regard yourself as a smart shopper?			Total
		yes	no		
Do you buy private label products of retail chains?	yes	N	305	179	484
		%	84.3%	78.8%	82.2%
	no	N	57	48	105
		%	15.7%	21.2%	17.8%
Total		N	362	227	589
		%	100.0%	100.0%	100.0%

Source: the author's research.

84.3% of respondents regarded themselves as smart shoppers and at the same time purchased private label products of retail chains. In turn, the share of respondents who did not consider themselves to be smart shoppers and at the same time did not buy private label products was smaller by 5.5 percentage points. This proves that being a smart shopper does not significantly affect the purchase of private label products by respondents ($\chi^2_{(1)} = 0,660$; $p > 0,05$).

The last issue included in the survey concerned the correlation between selected socio-demographic characteristics of the surveyed young consumers and the choic-

es made by them between private labels and manufacturer brands. To this end, respondents were asked: “Would you decide to buy a private label product if it had the same composition as a product manufactured by a known producer and a lower (more attractive) price?” The survey reveals that the share of women who answered this question in the affirmative was higher only by 0.6 percentage point than that of men. Therefore, it can be concluded that the sex of respondents does not have a significant impact on their decisions to buy a private label product if it has the same composition as a product of a known manufacturer and at the same time a lower price ($\chi^2_{(1)} = 0.022$; $p > 0.05$).

Table 4. Sex of respondents and the choice between private label and manufacturer brand

			Sex:		Total
			Female	Male	
Would you decide to buy a private label product if it had the same composition as a product of a known producer and a lower price?	yes	N	380	170	550
		%	93.5%	92.9%	93.3%
	no	N	26	13	39
		%	6.5%	7.1%	6.7%
Total		N	406	183	589
		%	100.0%	100.0%	100.0%

Source: the author's research.

Similarly to sex, the level of education of respondents is also irrelevant for their choice between a private label product and a product of another well-known brand with similar composition ($\chi^2_{(1)} = 2.457$; $p > 0.05$). Related information is contained in Table 5.

Table 5. Education of respondents and their choice between private label and manufacturer brand

			Education:			Total
			basic vocational	secondary	higher	
Would you decide to buy a private label product if it had the same composition as a product of a known producer and a lower price?	yes	N	3	18	105	126
		%	100.0%	85.7%	94.6%	93.3%
	no	N	0	3	6	9
		%	0.0%	14.3%	5.4%	6.7%
Total		N	3	21	111	135
		%	100.0%	100.0%	100.0%	100.0%

Source: the author's research.

Also monthly disposable income per capita in the household does not affect respondents' choice between a private label product and a product of another renowned brand with similar composition ($\chi^2_{(1)} = 3.924$; $p > 0.05$). Detailed data are provided in Table 6.

Table 6. Monthly disposable income per capita and respondents' choice between private label and manufacturer brand

		Monthly disposable income per capita in the household (in PLN)					Total	
		0 – 1999.00	2000.00 – 3999.00	4000.00 – 5999.00	6000.00 – 7999.00	8000.00 and more		
Would you decide to buy a pri- vate label product if it had the same com- position as a product of a known producer and a lo- wer price?	yes	N	44	249	131	96	30	550
		%	100.0%	90.5%	90.9%	100.0%	100.0%	93.3%
	no	N	0	26	13	0	0	39
		%	0.0%	9.5%	9.1%	0.0%	0.0%	6.7%
Total		N	44	275	144	96	30	589
		%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: the author's research.

Over 4/5 of respondents said that they perceived private labels as good substitutes for products of manufacturer brands. In the group of men, this percentage was lower by 3.1 percentage points. The χ^2 test showed that the perception of private labels as good substitutes for products of manufacturer brands is not dependent on respondents' sex ($\chi^2_{(1)} = 0.185$; $p > 0.05$). Detailed information is included in Table 7.

Table 7. Sex of respondents and perception of private labels

		Sex:			Total
		Female	Male		
Do you perceive private label products as good substitutes for products of manufacturer brands?	yes	N	332	143	475
		%	81.7%	78.6%	80.7%
	no	N	74	40	114
		%	18.3%	21.4%	19.3%
Total	N	406	183	589	
	%	100.0%	100.0%	100.0%	

Source: the author's research.

Over 70% of respondents with secondary education perceive private label products as good substitutes for manufacturer brands (Table 8). In the group of university graduates, this percentage was 82%, while for those with basic vocational education, it reached 100%. Therefore, it can be concluded that the χ^2 test showed that there is no relationship between the perception of private labels as substitutes for manufacturer brands and young consumers' education ($\chi^2_{(1)} = 1.997$; $p > 0.05$).

Table 8. Respondents' education and perception of private labels

		Education:			Total	
		basic vocational	secondary	higher		
Do you perceive private label products as good substitutes for products of manufacturer brands?	yes	N	13	66	397	476
		%	100.0%	71.4%	82.0%	80.7%
	no	N	0	26	87	113
		%	0.0%	28.6%	18.0%	19.3%
Total	N	13	92	484	589	
	%	100.0%	100.0%	100.0%	100.0%	

Source: the author's research.

Also, no relationship was noted between the perception of private labels as good substitutes for products of manufacture brands and monthly disposable income per capita ($\chi^2_{(1)} = 3.045$; $p > 0.05$).

Table 9. Monthly disposable income per capita and perception of private labels

		Monthly disposable income per capita in the household (in PLN)					Total	
		0.00 – 1999.00	2000.00 – 3999.00	4000.00 – 5999.00	6000.00 – 7999.00	8000.00 and more		
Do you perceive private label products as good sub- stitutes for products of manufac- turer brands?	yes	N	40	210	114	87	26	477
		%	90.0%	76.2%	78.8%	90.9%	85.7%	80.7%
	no	N	4	65	30	9	4	112
		%	10.0%	23.8%	21.2%	9.1%	14.3%	19.3%
Total		N	44	275	144	96	30	589
		%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: the author's research.

In the opinion of respondents, the weakest points of private labels in comparison to manufacturer brands include: unattractive appearance, design, advertising, low credibility and little attention to the label image. On the other hand, the strongest points of private labels indicated by young respondents comprise: attractive price (81.7%), promotions (77.2%) and a good quality/price relationship (63.7%). Such comments were most often made by women (81.3%) who had completed higher education (75.3%), earned a monthly disposable per capita income of between PLN 4000.00 and PLN 5999.00 and lived in cities of up to 200 thousand inhabitants.

The survey reveals a general picture of purchasing behaviour of young Polish consumers towards private labels and manufacturer brands. The following conclusions can be drawn from the analysis of the collected information:

- the surveyed group of young consumers is characterised by high consumer awareness – they compare the labels and composition of products and allow the possibility of changing their preferences for brands, depending on their attractiveness and quality;
- the interest in the chosen product may indicate their decreasing trust in advertisements and marketing activities of companies and growing tendency to make informed consumer choices;
- young survey participants are loyal to the brand;
- this loyalty does not, however, affect the choice of private labels – respondents compare different available products and more willingly buy those of higher or the same quality at a lower price;
- smart shopping positively influences the consumer behaviour of young people as regards consumer decisions;

- well-known brands have a moderate impact on consumer behaviour – half of respondents declare that the knowledge of a particular brand only slightly affects their decisions;
- price is also of moderate importance – respondents clearly care more about the quality and availability of the product of a given brand, which seems to be a new trend characteristic of this age group of consumers;
- the majority of respondents, regardless of socio-demographic determinants, perceive the potential of private labels as good substitutes for manufacturer brands.

Taking into account the presented survey results, some limitations ensuing from a small research sample should be borne in mind. Following the conclusions made, they should not be treated as representative of the population of young Polish consumers. They only provide some insight into actual consumer behaviours of young people towards private labels and manufacturer brands. This publication should contribute to a broader discussion and exchange of views on consumer behaviour of young people towards private labels and manufacturer brands, thereby encouraging other Polish scholars and researchers from various scientific and research centres to carry out extensive research in this area.

Conclusion

The perception of private labels should be considered in terms of price and quality. The reputation of private labels as low quality products is less and less strongly reflected in customers' perception as young consumers increasingly exhibit positive reactions to this category of products. Consumers indicate the following spontaneous associations with private labels: good quality, good products, generally positive opinion, high availability and quality comparable to well-known brands. On the other hand, they think that the weakest points of private labels in comparison to manufacturer brands are: unattractive appearance, design, advertising, low credibility and no attention to the label image. In turn, the strongest points of private labels indicated by young respondents include: attractive price, promotions and a good quality/price relationship.

A preliminary analysis of the empirical material allowed for concluding that the group of young consumers surveyed can be regarded as conscious and relatively flexible shoppers. Their consumer behaviour favours the development of private labels and impose greater requirements on manufacturer brands. Previous marketing efforts of companies are losing importance and it is necessary to develop a new strategy aimed at young buyers.

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Streszczenie

Marki własne i producenckie a zachowania młodych konsumentów na rynku

Początkowo marki własne kojarzono z niską jakością i nieznanym składem. Dzięki innowacjom produktowym coraz trudniej odróżnić produkt marki własnej sieci handlowej od tzw. marki masowej, czyli wytwarzanej dla ogółu populacji i dostępnej dla każdego konsumenta. W tym aspekcie istotne jest dostosowanie produktu do oczekiwań konsumenta. Asortyment produktów oferowanych pod markami własnymi obejmuje produkty codziennego użytku, luksusowe, dietetyczne bądź ekologiczne. Marki własne są jednym z najbardziej charakterystycznych elementów współczesnego handlu. Celem artykułu jest próba uchwycenia zachowań nabywczych polskich młodych konsumentów w stosunku do marek własnych i producenckich. Wyjaśniono pojęcie i istotę marek własnych, kluczowe czynniki wpływające na postawę konsumentów wobec marki oraz zachowania nabywcze wobec marek własnych. Następnie skoncentrowano się na konceptualizacji badań oraz opisie próby badawczej i jej cechach charakterystycznych. W oparciu o badania własne podjęto się próby uchwycenia zachowań nabywczych polskich młodych konsumentów wobec marek własnych.

Słowa kluczowe: marka własna, marka handlowa, młodzi konsumenci, zachowania konsumenckie

JEL Codes: M31.