Current status of development in private brand products and shifts in consumer attitudes

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Abstract: we consider whether the NB merch gave priority to what kind of element, and those to whom consumers have purchased the point that name recognition and attractiveness to consumers are suitable, and the private brand has purchased, and how a private brand will spread from now on from the existing literature and a questionnaire. We think that though it is budget increases, consumers' evaluation goes up a private brand from a rise in name recognition, availability, etc. about quality from the above thing. This demonstrates that the strengths of private brands lie in necessities with high purchase frequency, being a category in which consumers cannot easily differentiate merchandise. The demand for private brand food may increase from now on.

Keywords: Private Brand, National Brand, Consumer Behavior.

1. INTRODUCTION

In the food industry, a private brand (PB) attracts attention as it has the advantage of minimal advertising expenses and distribution costs. We are making into the original brand that we attach to the merch that a retailer develops himself and we sell as a definition of a private brand¹. However, the manufacturing side is performed by following the strategy of manufacturing the usual merchandise that the company has wholesaled to retail stores. NB merchandise is merchandise for which the manufacturer’s company brand is known.

2. SUBJECT AND METHOD

A private brand has the advantage of keeping down costs and maintaining a price range in spite of budget increases. As shown in Figure 1, from the existing literature and the questionnaire [1], we have considered whether priority was given to the elements of NB merchandise, what merchandise consumers have purchased, and the point at which name recognition and attractiveness create suitability for consumers. Further, we considered how private brands have been purchased, and how private brands will spread from now on.

![Figure 1: Private brand prejudice and NB merchandise.](source: LA VIDA Questionnaire on incorporated company elife. “Merchandise brand prejudice (NB-PB),” 2013. Modified by author.)

3. RESEARCH RESULTS

3.1 A private brand buyer’s highest priority

In Figure 2, it can be seen that when a private brand and
NB merchandise are arranged and sold, consumers investigate the price level when considering whether to purchase a private brand. Figure 2 shows that 80% of consumers do not want to purchase a private brand if it is not cheaper than NB merchandise [2]. Figure 3 shows research into the point, in 2017, that we will deem as important in respect of PB purchase [3].

This shows that price is thought of as the most important factor when purchasing a private brand.

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**Figure 2:** Level at which consumers think they will purchase a private brand.
Source: The second half consumer behavior forecasting survey of the Japan Finance Corporation. Heisei 24 fiscal year.

**Figure 3:** Point which we deem important at the time of private brand purchase. (multiple answers).
Source: SOFT BRAIN FIELD Co.,Ltd. Questionnaire result report, 2017.

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### 3.2 Name recognition of private brands and NB merchandise; attractiveness to consumers

Figure 4 shows that the purchase experience of a private brand consists of the first investigation in 2008, with 90% of the integrality order [4]. Again, Figure 1 shows that there are difference between "There are products that decided to buy for PB (8.9%)," and "There are products that decided to buy for NB (20%)."

Figure 5 shows the results of Richardson et al. (1994) who experimentally verified the cause of consumers’ thinking that a private brand is not desirable compared to NB merchandise [5]. In our experimental method conducted on about 1500 subjects, palate evaluations were carried out in respect of NB merchandise and a private brand. Some of the products used in the palate evaluation included some interchangeable NB and PB merchandise, where the contents were NB merchandise while the packaging was PB merchandise.

As a result, as shown in Figure 5, the best rated product was 5.95, with both the contents and the package being NB merchandise. The second highest rating was 5.73, where the package was a NB merchandise while the contents were a PB merchandise. On the other hand, when the contents were NB merchandise and the package was a PB merchandise, the result was 5.20.

These results show the possibility of a mistake regarding the quality of NB merchandise food and private brand foods, the quality of the latter in fact being high, but the expectations created by packaging etc. have affected consumers’ judgment regarding product quality rather than the taste or quality of the food itself when NB merchandise and private brand foods are compared.
3.3 How will a private brand spread from now on?

Figure 6: Places which mainly purchase private brands. Source: The second half consumer behavior forecasting survey of the Japan Finance Corporation. Heisei 24 fiscal year.

Figure 7: PB another name recognition (multiple answers). Source: A questionnaire result report of SOFTBRAIN FIELD Co., Ltd. PB

Figure 8: And it is comparison with an one-year front [a private brand]. Source: A questionnaire result report of SOFTBRAIN FIELD Co., Ltd. PB.

Figure 5: Average quality evaluation. Source: Richardson et al., 1994

4. DISCUSSION

4.1 A private brand buyer's highest priority

As shown in Fig. 2.3, the private brand buyer can consider asking for their being budget prices.

4.2 Name recognition of private brands and NB merchandise; attractiveness to consumers

The purchase experience of the private brand has become a little less than 90% integral, as the purchase frequency of private brands in Figure 4 shows, and it is
thought that the name recognition of a private brand is high. Moreover, since the numerical value of a purchase experience has seldom changed from 90% since 2008, it is thought that private brands have permeated consumers' lives rather than there being a transient boom.

However, we think that the attractiveness of NB merchandise for consumers, as shown in Figure 1, is predominant in fields such as safety, use of domestic materials, appearance, and a high-class feeling.

4.3 How will a private brand spread from now on?

In the stage in 2012, although a convenience store is 7.7%, even if a rise in the name recognition of the private brand of a convenience store is seen in the investigation in 2017 and it compares with general supermarket (GMS) and supermarket (SM), it is possible from Fig. 6 that the utilizer of price competitiveness and serviceability will increase increasingly from now on for a certain reason.

In the image of the private brand in comparison with one year before, since many items about the contents of the product are entering, it is possible that the company side performs product development, which thought the taste, quality, and value as important though it was budget prices called the check of the taste and quality by consumer testing, etc.

5. CONCLUSIONS

Questionnaire result report "PB (private brand) to PB "taste, quality, and value" serious consideration from "budget prices" of which continue doing evolution. We think that thought it is budget prices, consumers' evaluation goes up a private brand from a rise in name recognition, availability, etc. about quality from the above thing. This demonstrates that the strengths of private brands lie in necessities with high purchase frequency, being a category in which consumers cannot easily differentiate merchandise.

The demand for private brand food will increase from now on [6]. Moreover, since the merchandise with few new products with both high pricing sensitivity and purchase frequency, where a brand name is weak and has few differentiation elements, consumers cannot recognize the difference between products to be easily, we think that a private brand develops easily. Since a private brand has the demerit in which we do not reach the eyes of a consumer called an advertisement, etc., rather than NB merch in the last, we think that consumers' distance will feel a private brand in the distance rather than NB merch. In order to lose the crevice, we try to consider whether to be connected safe by consumers, enabling it to check directly in the field of safety.

FOOTNOTE
1. Britannica International Encyclopedia, "Quoted from PB products.

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