

CONSUMER PERCEPTIONS OF PRIVATE LABEL PRODUCTS: AN EMPIRICAL STUDY

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Abstract

This article analyzes the attitudes of consumers towards the purchase of private label products, considering their needs and requirements, the type of purchased product, reasons for the purchase, as well as demographic characteristics of the respondents. The main aim of the research is to determine the factors and variables that significantly influence and shape the consumer's perception and attitude towards the purchase of private label products. The perception of private label products by Slovak consumers was studied empirically, focused on three hypotheses: (1) if the type of purchased product affects the consumer's attitude towards private label products; (2) if the consumer's attitude is influenced by the reasons for the purchase; and (3) if the attitudes of consumers to private label products are determined by demographic determinants. The study of consumer preferences is of great importance in the context of the competitive ability of branding. The greatest contribution of the study is the determination of which types of private label products are purchased by consumers, considering their family status, and that the consumers' perceptions of private label products are determined by the consumer's age, income and family status, as well as by the reasons for their purchase. The research results can be used in the retail trade when planning strategies for private label products, focusing on the specific requirements and needs of individual consumer groups, accepting their demographic differences.

Keywords: consumer, competitive ability, private label product, attitude, retail trade

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1. INTRODUCTION

A consumer considers a large number of brands to meet their needs, one of which are private label brands. They became a part of the Slovak consumer market with the arrival of foreign retail chains, and the name of most private label products is closely related to the name of the given retail chain (Poliačková, 2011). The brand itself is one of the most important components of corporate intangible wealth; companies protect them and pay huge attention to forming them, mainly because it creates a barrier to competition. On the other hand, it may help build a strong competitive position (Chico et al., 2017) and avoid possible failures (Kliestik et al., 2015). Mula-

cova & Mulac (2013) characterize private label products as branded products that are produced and offered by retail trade and other distribution channels, and thus form a specific brand category.

The assortment that retail chains sell as their private label products is often cheaper than the rest of the assortment in retailing. Therefore, customers with more sensitive responses to changes in prices or in their income (Horáková, 2015) are generally more interested in purchasing this type of product. The basic feature of the private label product is the value assessment as a price-to-value ratio (Chebeň & Štefúnová, 2011). Despite the fact that price is an important factor in purchasing decisions, customers also pay attention to other criteria; the brand name is one of the most important. Other factors that consumers consider are product quality, country of origin, hygiene criteria, bio-quality, etc. Research on consumer preferences is of great importance in the context of the competitive ability of branding. Developing market-leading brand capacities is essential for long-term competitiveness (Abimbola, 2010). ‘The ability of brands to facilitate organizations’ development, evolution and competitive advantage epitomizes the emerging role of brand strategy as an underlying resource that enables a firm to create, deliver and capture values faster than they can be competed away.’

Within the range of private label products, we recognize its great diversity by including both food and non-food goods. These are durable goods, meat products, chilled and frozen foods, dairy products, alcoholic and non-alcoholic beverages, paper and plastic products, animal food, hygiene and drugstore, clothing, sportswear, pharmaceuticals and household appliances. In most retail chains, the range of private brands is divided into several categories, either by price and quality or by main strategic approaches of communication (Fraser, 2009).

The presented article is divided into four main parts. The first section explains the theoretical background of consumers, their behavior and private label product in the form of a literature review. In the Data and Methodology section, the research methodology is described, defining the scientific methods and algorithms of calculations. The Results and Discussion sections present the outcomes of the empirical research, results of hypothesis testing and their interpretations, and confront the primary research results with secondary resources. The Conclusion summarizes the research results and formulates recommendations for retail trade in terms of the Slovak economy.

2. THEORETICAL BACKGROUND

The modern marketer shows a growing interest in the research of consumer decision-making styles to understand how an individual makes his/her buying decisions in the competitive environment (Bandara, 2014).

Consumer behavior is determined by several factors in the cultural, social, personal and psychological spheres. Together they formulate the basic attitudes and views of the consumer. Kotler & Keller (2011) state that ‘consumer buying behavior is the study of the ways of buying and disposing of goods, services, ideas or experiences by the individuals, groups and organizations in order to satisfy their needs and wants’. Each consumer relies on other factors in the purchasing process. Ramya & Sa Mohamed (2016) identify several forces that influence the buying be-



haviour: internal or psychological factors, social factors, cultural factors, economic factors and personal factors. Coelho et al. (2013) declare that the issue of private label products is a matter of individual decision-making. Brands have a different meaning for each consumer, which helps develop the purchasing trends. In relation to the consumer, the brand consists of important elements. Mostly, it is the significance of a brand expressing the way the consumer perceives the brand within its rational and emotional advantages (Vysekalová & Mikeš, 2009). In this context Gavurová et al. (2018) state that the importance of using a social media mix for marketing purposes has never been greater than it is today. The study by Maisam & Mahsa (2016) evaluates the roles of value congruity, brand love, and brand image in creating a consumer commitment that leads to positive word of mouth.

Private label products are those manufactured by a particular manufacturer, sold under the brand name of another business; while Dunne & Narasimhan (1999) report that they are characterized by weak barriers of market entrance or the existence of significant economies of scale. Sutton-Brady et al. (2017) emphasize the need and significance of the effect of private labels and their impact on the consumer or business itself. According to Doyle & Murgatroyd (2011), private labels play a significant role in shaping competitive market dynamics. Private label products were primarily characterized by low quality and low cost, but the image of private label products has changed significantly over the last decade, product quality has improved, and emphasis has been placed on packaging and product design. As a result, there is a steadily growing market share of private label products (Kasotakis & Chountalas, 2014), the largest increase is in the private label of food, which accounts for 10-45% of retail sales (Stauder et al., 2013). However, the branding of private label products is not the same in all product categories. Market data demonstrates that products requiring a high degree of consumer confidence (e.g., baby food, bio products) are difficult to infiltrate into private brands (Berges-Sennou et al., 2004).

Many studies have focused on the explanation of how and why consumers buy certain products. In relation to the given problem, Grohman et al. (2007) take into account the attributes such as brand, image, quality, price and risk that identify consumer access to private label products. For private brands, the price and quality are considered the most important factors affecting consumer attitudes. Quality is an important tool of competitiveness, thanks to which the consumer perceives brand image and at the same time, high quality builds consumer loyalty to the brand (Lin et al., 2016). In the product evaluation process, Mendez et al. (2008) determine price as a key variable in the brand selection. Fraser (2009) claims that consumers do not perceive only the parameters of the product but their motivation is influenced also by the product packaging. At present, attention is also paid to the packaging and design of products, which was suppressed in the past at the expense of other factors, which Nair (2011) and Schiffman & Kanuk (2010) report in their studies. Amue & Kenneth (2012) study the impact of innovation on consumer attitudes; Ashokkumar & Gopal (2009) describe the relationship between price, quality and risk in terms of consumer attitudes to private label products. Previous consumer experience with private label products plays an important role in the process of formation of the consumers' attitudes. (Keltling, et al., 2017)

The importance of defining the factors that determine consumers' attitudes to private label products is obvious and that is the reason why the issue is solved at the level of individual econo-

mies. The level of private label products on the Australian market is the research aim of Cleanthous et al. (2011); African markets is the research object of Wyma et al. (2014); the attitudes of French consumers are presented by Mannot et al., (2015); Kakkos et al. (2015) identify the main reasons for the purchase of private products by Greek consumers; Thai shopping decision making of private products is processed in Thanasuta research (2015); Czech consumers' perception of the private label products is described by Kocislarova & Nagy (2015) and Svoboda & Kopecka (2017).

In recent years, there has been a noticeable increase in the market share of private label products, which is not only caused by looking for a cheaper product, but also by the dexterity of sellers to apply national brand strategies. Private labels are greatly helping to rebalance the image of a retailer, contributing to differentiation, deepening the competitive advantage and strengthening customer loyalty to the retail chain.

3. RESEARCH OBJECTIVE AND METHODOLOGY

The main objective of the research is to determine the factors and variables that significantly influence and shape the consumer's attitude to the purchase of private label products. To identify specific factors and determinants that support and formulate consumer attitudes to the purchase of private label products, we conduct an empirical research using a questionnaire. The questions in the questionnaire were closed with one or at most three possible responses; we used the Likert scale for statements focused on the information about the type of purchased products. Based on responses to the statements, we divided the respondents into three categories according to their attitudes. A positive approach to private label products is given by the positive responses to the statements (I agree, I rather agree) that clearly show the preference of private products to other product groups in all product categories. In the case of a negative attitude, the importance of private label products to the consumer is weak, which is also presented by the negative opinion (I rather disagree, I disagree) for individual claims. If the consumer does not have the interest in private label products only, i.e. purchases these products in certain product categories only, the attitude is considered neutral.

We divided the private label products into 10 categories, being inspired by the products classification of Nielsen agency (Mulačová & Mulač, 2013): (A) dairy products, (B) baby food, (C) durable goods (pasta, cans), (D) non-alcoholic beverages, (E) frozen food, (F) cosmetics, (G) sweets and confectionery, (H) paper hygiene, (I) detergents and (J) animal food.

The target group of research (elementary research unit) was formed by respondents purchasing private label products in one of the retail chains in the Slovak consumer market. The research via questionnaires was done between December 2016 and May 2017. The questions in the questionnaire consisted primarily of demographic data of the respondent, general questions on consumer experience and satisfaction with private label products and statements determining the attitudes of consumers (positive, neutral and negative) to buy private label products. Subsequently, we try to find the existence of dependence between individual qualitative variables using three hypotheses: there is no dependence between consumer attitude and (1) individual demographic determinants; (2) factors leading to the purchase of private label products, and (3) a particular



type of the purchased product. However, we also revealed whether the purchase of a particular private label product is dependent on some demographic determinants.

We use Excel to process the research data, using the Data Analysis add-in. To test the hypothesis and verify either dependence or independence of the variables, we used the Pearson's chi-squared test of independence. The Pearson's chi-squared test of independence is tested at the significance level of 0.05. If the test confirms dependence between the qualitative variables, its intensity can be measured using the Cramer's V coefficient, which is the most used contingency rate. The values Cramer's V are comparable to different dimensions of the contingency tables. The resulting value then distinguishes three degrees of dependence: (1) a weak dependence when the coefficient value is between 0 and 0.3; (2) a moderate dependence in the range of 0.3 - 0.8 and (3) a strong dependence when the value of Cramer's V is from 0.8 to 1 (Rimarčík, 2007).

The survey is based on data from 347 respondents, which represents a required representative sample of the Slovak population at the given level of significance. To compute the sample size, we use the sample size calculator available at www.surveysystem.com. The demographic structure of the respondents can be described as follows: 159 men (46%) and 188 women (54%) participated in the survey. Most consumers were 45-60 years old (29%), followed by 30-45 years old (27%), less than 30 (23%) and over 60 (21%). We classified the achieved education of the consumers into several groups, having 113 (33%) respondents with secondary education, 98 (28%) with Bachelor university degree and 136 (39%) with master degree. Considering the disposable income, there are groups of consumers with up to 500 € per month (34%), from 500 € to 1000 € a month (33%) and over 1000 € (33%). The last demographic figure was the family status of respondents, with 38% of respondents living alone, 33% with the partner and 29% with the family.

4. RESULTS AND DISCUSSION

Every consumer prefers different factors when purchasing, and therefore perceives private brands based on their individual decisions. Consumers' preferences in the choice of individual types private label products are also different, identifying three most popular private label products. We found that on our sample of 347 respondents 135 consumers buy dairy products, 127 consumers durable goods and 117 consumers paper hygiene. Each product category is significantly affected by other factors. We survey individual product categories according to the factors that lead consumers to buy. The most important factor is the price when purchasing private label products of child food (70.59 %), dairy products (60.42 %) and sweets and confectionery (51.72%). When buying paper hygiene (65.71 %) and detergents (76.92 %), consumers are most interested in the quality and composition of the product. Packaging and design of a private label product are considered by consumers when buying frozen food (78.57 %), non-alcoholic beverages (65.63 %) and sweets and confectionery (57.12 %). However, the advantageous packaging is perceived to be an essential attribute when purchasing animal food (73.08 %). The range of products is preferred by consumers for cosmetics (63.89 %) and durable goods (57.50 %).

There are several reasons why consumers are increasingly inclined to buy private label products. In the survey, consumers identified up to three reasons having the greatest impact on the purchase of private label products. Twenty-seven per cent of consumers say the price is the most

important factor in purchasing private label products, 20% of consumers buy products according to the quality standards, followed by packaging and design (18%), taste and composition of products (16%), advantageous packaging (10%) and range of products (9%).

In the research, we focus on the change in preferences of purchased private label products considering gender, age, education, income and consumer status of respondents. The summary results are shown in Tab.1.

Tab. 1 – Purchased private label products considering demographic features of respondents.
Source: own calculation

%		A	B	C	D	E	F	G	H	I	J
age	below 30	45.21	27.40	34.25	31.51	28.77	27.40	31.51	30.14	26.03	17.81
	30-45	41.25	26.25	40.00	35.00	27.50	30.00	20.00	26.25	27.50	26.25
	45-60	35.48	25.81	34.41	31.18	24.73	22.58	29.03	38.71	34.41	23.66
	over 60	35.64	30.69	37.62	22.77	25.74	27.72	26.73	37.62	25.74	29.70
gender	man	38.99	29.56	35.85	32.70	26.42	26.42	28.93	32.08	25.16	23.90
	woman	38.83	26.06	37.23	27.13	26.60	27.13	25.00	35.11	31.38	25.53
education	secondary	32.29	27.08	40.63	27.08	22.92	31.25	26.04	37.50	31.25	23.96
	bachelor	41.98	19.75	39.51	32.10	27.16	30.86	27.16	32.10	28.40	20.99
	master	37.63	27.96	31.18	33.33	32.26	21.51	24.73	38.71	26.88	25.81
	higher education	45.45	36.36	35.06	25.97	23.38	23.38	29.87	24.68	27.27	28.57
income	< 500 €	46.61	22.03	31.36	31.36	27.97	24.58	29.66	28.81	32.20	25.42
	500-1000 €	34.21	28.07	40.35	29.82	23.68	29.82	27.19	36.84	24.56	25.44
	> 1000 €	35.65	33.04	38.26	27.83	27.83	26.09	23.48	35.65	28.70	23.48
status	alone	37.12	23.48	30.30	29.55	24.24	34.09	30.30	43.18	22.73	25.00
	family	34.65	28.71	43.56	36.63	23.76	22.77	26.73	32.67	23.76	26.73
	partner	44.74	31.58	37.72	23.68	31.58	21.93	22.81	23.68	39.47	22.81

Note: (A) dairy products, (B) baby food, (C) durable goods (pasta, cans), (D) non-alcoholic beverages, (E) frozen food, (F) cosmetics, (G) sweets and confectionery, (H) paper hygiene, (I) detergents and (J) animal food.

The youngest group of respondents, up to 30 years old, prefer the purchase of durable goods, non-alcoholic beverages and sweets, which corresponds to the lifestyle and priorities of this demographic group. However, durable goods are consistently preferred in all age categories, with older age groups purchasing also the paper hygiene. In terms of gender, both men and women prefer to buy dairy products and durable goods, but the third product divides these two groups of consumers. While men buy non-alcoholic beverages, women paper hygiene products. The education of respondents does not have a significant impact on the types of products purchased, as the deviation is noticeable only at higher education, where consumers prefer to purchase baby food. The lowest income groups also have the widest range of private label products purchased, which also corresponds to their primary purpose, offering reasonable quality at a low price. Re-



spondents in this category buy dairy products and durable goods, non-alcoholic beverages, detergents and hygiene products. Other income groups are standard. The biggest fluctuations are in the family state category. A consumer living alone purchases not only dairy products, but also cosmetics and hygiene products. In the family, the purchase of private label products consists of durable goods and non-alcoholic beverages, as well as detergents when living in a partnership. However, frozen goods and animal food did not appear to be the most purchased private label products considering the consumer preferences by demographic factors. Based on the results, we found a consumer whose age is less than 30 has a master degree and lives with a partner mostly purchases frozen goods. According to Table 2, consumers with higher education, who are over 60 and live with their families, prefer purchasing animal food. It is apparent, that consumers prefer buying the same product groups. It does not mean, however, that other consumers despise other private label products. The proof is a high relative value of individual types of private label products, around 25-30%.

Tab. 2 – Pearson’s chi-square test (type of private label products and demographic determinants). Source: own calculation

Basic parameters:		
Significance level α	0.05	
Sample size	347	
Results:		
p-value of χ^2 test	age - product	0.9654
	gender - product	0.9493
	education - product	0.9050
	income - product	0.8688
	status - product	0.0328
Decision:		
age - product	H0	
gender - product	H0	
education - product	H0	
income - product	H0	
status - product	H1 degree of dependence:	0.1211

Tab. 2 summarizes the hypothesis results testing that there is no dependence between the preference to a private label product and demographic factors (age, gender, education, income and status).

To verify the existence of dependence between the selected qualitative variables, we follow the validity of the inequality between the level of significance α and the resulting p-value of the Pearson’s chi-square test. Based on the calculations, it could be said that the type of private label products consumers buy is independent age, gender, education or income. However, the important factor is the family status of respondents, whether they live alone, with a partner or with

family, because by testing the dependence of the categorical variables we can conclude that there is a dependence between the respondent's status and private label products. Using algorithm (1), we calculate that there is a weak dependence between variables ($V = 0.1211$). It could be said that the family status of the respondent significantly affects the type of purchased private label products, accepting the social and financial elements related to the consumer status.

The main objective of the research is focused on the survey of consumer attitudes to private label products. The assessment of the preference of private label products against other product types divided respondents into three groups depending on their attitudes towards products: consumers with a positive attitude to private label products (61.96 %), neutral attitude (31.7 %) and negative attitude (6.34 %).

From the previous survey, it is apparent that consumers are purchasing all given types of products, so we tested the hypothesis that there is no dependence between the type of the purchased product and the attitude of the consumer to private label products purchase. The results are shown Tab. 3.

Tab. 3 – Pearson's chi-square test (type of private label products and consumer's attitude).

Source: own calculation

Basic parameters:		
Significance level α	0.05	
Sample size	347	
Results:		
p-value of χ^2 test	attitude- product	0.7305
Decision:		
attitude- product	H0	

To verify the existence of dependence between the selected qualitative variables, we follow the validity of inequality between the level of significance α and the resulting p-value of the Pearson's chi-square test. Given that the p-value is higher than the significance level, we accept the null hypothesis and we do not claim that there is the dependence between the consumer's attitude towards private label products and the type of products purchased.

Tab. 4 – Pearson's chi-square test (reasons for purchase and consumer's attitude). Source: own calculation

Basic parameters:			
Significance level α	0.05		
Sample size	347		
Results:			
p-value of χ^2 test	attitude– reason for purchase	0.0246	
Decision:			
attitude – reason for purchase	H1	degree of dependence:	0.1719



Consumer's attitude is also given by the reason, which leads to the purchase of private label products. In our research, we focus on six key factors - price, quality, taste and product composition, packaging and design, advantageous packaging and the range of products. We have tested the hypothesis that there is no dependence between the reasons for buying private label products and the attitude of consumers; the results are in Tab. 4.

It appears that the p-value is lower than the significance level. We reject the null hypothesis and accept an alternative hypothesis that there is a dependence between the qualitative variables consumer's attitude to private label products and the reasons for the private label products purchase. Using the relationship (1) we calculate that there is a weak dependence between the variables; the value of Cramer coefficient is 0.1719.

In conditions of the Slovak consumer market, the main factor affecting the purchase of private label products is their price; it is preferred as one of the three main factors by 27 % of respondents. The consumer is interested in and buys private label products mainly because of their low price, which may be in some cases 26% to 48% lower compared to other products (Kasotakis & Chountalas, 2014). An increasing competition in this area, compared to the past, means a significant increase in the quality of the assortment, so 20 % of respondents consider the quality as the important factor of influence. The third most important factor is the packaging and design of the product, which is related to the promotional policy, as this factor is considered the least demanding way to communicate with customers (Chou & Wang, 2017). Its primary task is to engage and stimulate customers to purchase the products. The description of consumer attitudes, depending on the reasons for the products purchase, indicates that the considered factors affect the attitude of the consumer, which was confirmed by the Pearson's chi-square test of independence.

Demographic features (age, gender, education, income, and status) can also determine the consumer attitudes to private label products. We have tested the hypothesis that there is no dependence between individual demographic determinants of respondents and consumer attitudes to private label products; the results are in Tab. 5.

Tab. 5 – Pearson's chi-square test (demographic determinants and consumer's attitude). Source: own calculation

Basic parameters:		
Significance level α	0.05	
Sample size	347	
Results:		
p-value of χ^2 test	age - attitude	0.0471
	gender - attitude	0.3933
	education – attitude	0.7092
	income - attitude	0.0221
	status - attitude	0.0359
Decision:		
age - attitude	H1 degree of dependence:	0.1356

gender - attitude	H0	
education – attitude	H0	
income - attitude	H1	degree of dependence: 0.1283
status - attitude	H1	degree of dependence: 0.1217

As the results show the inequality between the level of significance α and the resulting p-value of the Pearson's chi-square test, we conclude that the attitudes of respondents towards the private label products are dependent on some demographic determinants – the respondent's age, income and status. In all three cases, we calculate the degree of dependence using Cramer's V, and there is a weak dependence between the determined demographic determinants and consumers' attitudes.

In the empirical study focused on the research of attitudes of Slovak consumers towards private label products, we identified the three most purchased products - dairy (39 % of respondents), durable goods (37 % of respondents) and paper hygiene (34 % of respondents). The results of our research, and thus the suitability of the research sample, are confirmed by TNS research from 2015, claiming that Slovak consumers prefer the purchase of private label products in the category of paper products, such as toilet paper, kitchen towels or hygienic handkerchiefs. Durable foods (sweets, pasta, non-alcoholic beverages, ready-made meals and semi-finished products) and products with shorter consumption dates (meat and dairy products) are purchased to the same extent as other branded products. Those customers who purchase private label products more often also identify the reasons for their purchase -cost effectiveness, quality, and loyalty to the retailer.

Based on the collected data, it can be argued that, regardless of the individual demographic determinants we found, one of the three most commonly purchased private label products is dairy products. Interestingly, the Best Buy Award consumer survey (2017) focused on private label products in Slovakia identified cheese, milk and dairy products as products that consumers buy most and which have the best price to quality ratio.

In addition, we found out that the status of the respondent significantly affects the type of private label products a consumer buys, due to the social and financial elements related to the consumer family status. Bouhlal & Capps (2016) gained similar results analyzing the impact of a promotional strategy on the decision-making process when purchasing private label products on the U.S. market. Their research result was that the decision to buy a particular product is influenced by several socio-demographic characteristics such as income and household size, age and education of the head of the family, race and ethnicity. As Kiyalioglu et al. (2011) note in their study, consumer attitudes towards private label products are affected by various factors. Richardson et al. (1994) published a detailed study in which they argue that the consumer's tendency to buy private label products depends on certain demographic factors (income, family size, age, education) as well as specific consumer perceptions of particular product categories. There are many studies devoted to the identification of factors affecting consumers' attitudes to private label products. However, the most significant factors are quality, price, packaging, consumer status and innovation (Kasotakis & Chountalas, 2014), which corresponds to the research results of the consumer perception of private label products in the Slovak Republic.



Over the past decade, private brands have gone through a radical change. Consumers perceive private label products much more positively compared to the past when these products were perceived as inferior products of low price. At present, they are significantly involved in market share and penetrate into new product categories. Private labels have changed purchasing habits and the nature of the competition. Previously, retailers used to compete for consumer loyalty on an intra-brand basis, meaning that retailers competed with an identical product range consisting of national brands (Berges & Bouamra-Mechemache, 2012).

5. CONCLUSION

Private labels have undergone significant changes, especially in terms of quality, becoming a significant competitor in national products. A significant increase in the purchase of private label products was recorded in the Slovak market during the last economic recession, when consumers had to cut their spending, and the purchase of private label products was an appropriate solution. This trend, however, continued even in the post-recession period, and private label products became much more attractive to consumers and positively influenced consumers' shopping preferences. This article empirically analyzed attitudes of Slovak consumers in relation to the purchase of private label products.

The key factors involved in formulating the consumer attitudes to private label products can be summarized as follows. Irrespective of the demographic determinants of respondents, consumers buy all categories of private label products included in the study, with dairy products, durable goods and paper hygiene being the most preferred. For each category of the private label products, consumers determine the key factors that lead them to purchase: price is the most important when purchasing dairy products, quality for hygiene products, product composition for detergents, advantageous packaging is significant when buying animal food, packaging and design for frozen goods, and the range of products in the category of cosmetics. The empirical research reveals which private label products consumers prefer considering their demographic features. Moreover, we determined that the type of a purchased product is influenced by the family status of the respondent.

The general attitude of the consumer to private label products is determined by many factors. We searched three categories of influence: (1) if the attitude of the consumer is influenced by the type of a purchased product, the results of the Pearson's chi-square test refer to the independence of these two qualitative variables; (2) if the attitude of the consumer is influenced by the reasons for the purchase; we found that there is a weak dependence between the variables and the greatest impacts on purchase are the price, quality and packaging (packaging and design) of the private label product; (3) if the consumer's attitudes to private label products are determined by demographic determinants, and a weak dependence of the observed variables - age, income and respondent status - was found.

The use of suggested product categories and impact factors in the empirical research led to remarkable results, which may be useful not only for better understanding of the private labels phenomenon. Further research on private label products is of vital importance, especially in a wider geographic area or more detailed analysis of each product category. In addition, other at-

tributes (i.e., shop atmosphere, cultural differences, product knowledge) could be perceived in analyzing the factors that shape consumers' attitudes to private label products.

The issue of private label products significantly affects not only consumer behavior but also both the competition within the supply chains and the range of products available to consumers. Private labels increase the range of available products and thus increase inter-brand and price competition. On the other hand, private labels change the relationship between retailers and their suppliers. Suppliers of branded products face not only vertical competition from retailers but also horizontal competition, since retailers start producing their own products. Therefore, research results should be used in retail trade when designing strategies for private label products, focusing on the specific requirements and needs of individual consumer groups, accepting their demographic differences.

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