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PREFERENCE AND PERCEPTION OF PRIVATE LABEL PRODUCTS AND YOGHURTS – A CASE STUDY OF SLOVAK CONSUMERS WITH THE AGE UP TO 30 YEARS

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Abstract

There is no doubt that private labels represent a new way how the retailer can build new and loyal customers. What must be mentioned connected with them, is the fact, that many potential customers still doubt about their quality. The market of dairy products and especially of yoghurts is not an exception. The present paper deals with the issue of private labels, their quality and preference from the side of Slovak consumers with the age under 30 years. The aim of the present paper was to determine the preferences of products and yoghurts labelled by the private labels, as well as the perception of their quality from the side of Slovak consumers' with the age under 30 years. As the research methods there were used the methods of survey, structured questionnaire (the total number of respondents was 1,264 randomly selected respondents with the age up to 30 years) and blind test. For a deeper analysis of the obtained results, there were set out six assumptions and nine hypotheses, which were tested with the use of Pearson's chi-square test, Fisher's exact test, Cramer's contingency coefficient and Phi coefficient. The results of the research show, that the situation with the preference and perception of the products and yoghurts labelled by the private label from the side of Slovak consumers with the age under 30 years is very good – 38 % of respondents buy the products labelled by the private label daily, over

42 % of respondents prefer in their purchase products labelled by the private label, more than 79 % of respondents see the quality of products labelled by the private label as adequate to the price, more than 74 % of respondents buy the yoghurts labelled by the private label, more than 58 % of respondents exactly prefer them before the yoghurts labelled with the traditional brand and over 80 % of respondents think that the quality of yoghurts labelled by the private label is very high and high.

Keywords: *private label, yoghurt, preference, Slovak consumerwith age under 30 years*

JEL Classification: *M31, M39*

1 Introduction

The nowadays market place is characterized by a never ending competition for new customers, which can by time become stable and loyal visitors and customers of the proper retail chain. One of the possibilities how to make a loyal customer, is to give him the right product with good quality and a fair price. This, supported by the adequate communication will easily create a strong position for the product on the certain market (Kubicová & Kádeková, 2011; Kretter et al., 2010). Unfortunately, the creation of that position costs something (not just the time, but also money) and producers, but also retailers try to find new ways how to avoid it. This is also why retailers have more interest in products that help them to compete better, either being cheaper or differentiating better (Veraart Research, 2017). One of the ways how to achieve the reduction of time and money is to cooperate with an existing producer and to create a so called private label, which in contrast with the traditional label, which is the property of the exact manufacturer, is the property of given retailer (Nagyová & Košičiarová, 2014).

Private labels, also known as retail brands, store brands, national brands or own brands, are nowadays considered to be a global phenomenon (Smith & Bashaw, 2009), which is widespread all over the world. Despite the fact that their history can be dated back to the year 1880, when The Great Atlantic and Pacific Tea Company (A & P) has marketed its own brand of baking powder (Košičiarová & Nagyová, 2014), the very beginnings of their development were not as easy – since their beginning, they have been seen as the "poorer brothers" of branded products and have achieved only very low marketability of shares (Lincoln & Thomassen, 2008). The reason was were simple – they were seen as replicas, which have imitated the leading brands not just in their packaging, but also in the colours and used font types (Kumar & Steenkamp, 2007). This is, why the history of private labels can be in general divided into three main periods – the period

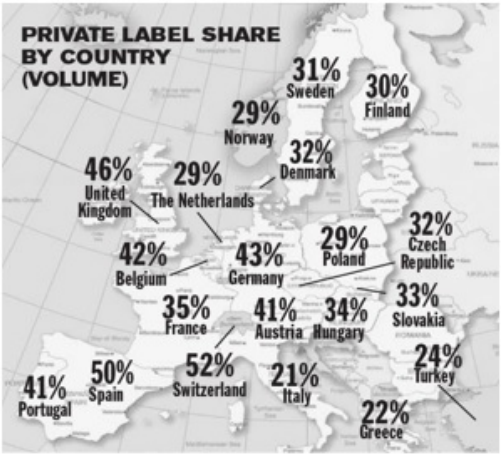
of price competition in the 70th years, which is also named as the era of generic brands, and for which was typical the increase of competition and emergence of commodity products with a pricing fighters, which's aim was the increase of sales and market shares and increase of customers' price sensibility; the period of competitive differentiation in 80th years associated with the era of own and exclusive brands, as well as with the era of imitation of branded products especially in the view, quality and packaging; and the period of overall corporate image-building in the 90th years, when to the fore front are becoming the own labels and when to the competitive market of private labels entered also the British market and when there was introduced a special type of organic product lines, as well as various health-promoting products and others (www.gov.mb.ca, 2010; Môciková, 2000).

Because of the need to reduce the problems resulting from misapprehension of the issue of private labels, different signs and symbols controlled by retailers were commonly named as private labels and divided into four big groups – generic private labels, copycat store brands, premium store brands and value innovators (Pwc, 2011; Pradhan 2010; Ray, 2010, Kumar and Steenkamp 2007; Štensová et al. 2006; Nagyová 2000).While generic private labels have started as cheap "inferior products", whit lower quality and did not carry the name of the retailer, but the name of the exact product; copycat store brands, have carried the name of the retailer and tent to have packaging and price points very close to the products, which they had compete with; and premium store brands (where the term premium historically referred mainly to the contrast with the copycat brands rather than with the leading manufacturer brands) are said to be superior in price and quality to the traditional brands; value innovators are absolutely different kind of private labels, where the retailers following this approach have to focus on cutting down costs and processes to simplify the production and marketing of product ranges, so that a good quality product could be offered at very low prices (there are a number of key principles, which must be adhered to become successful – limited number of products, low costs of production and marketing and good quality products at low prices).

The strategy of foreign, but also of domestic retail chains is to reach all groups of customers – to satisfy not just the price sensitive customers, but also those who prefer the high quality goods. The mentioned requirements have to be met by the private label products, whose share in Europe, but especially in Slovak Republic, continues to grow – the data compiled for PLMA's 2016 International Private Label Yearbook shows that the market share for private labels increased in 13 of the 20 European countries (Figure 1). The extraordinary progress was recorded exactly in Central and Eastern Europe – volume share has climbed above 30 %

in the case of Czech Republic, Hungary and Slovak Republic, while in the case of Poland is it four times higher as in the year 2003 (plmainternational.com, 2017).

Figure 1 **Private label share by country**



Source: Private Labels´ market share climbs in 13 of 20 countries across Europe. 2017. Retrieved from http://www.plmainternational.com/industry-news/private-label-today.

To the speed and penetration rate of private labels in Europe compared to the US, helps mainly the interest from the side of shoppers and the inventiveness of retail chains that appear in private brand much more than just another product that conceals their margin (Augustín, 2005). Private labels imply several benefits – not just on the side of the consumer, but also on the side of the trader and to some extent on the side of supplier. They help in increasing the sales volume, economies of scale, lower costs on communication and logistics, and bring the opportunity to input new markets (Machková, 2009). While for the consumer is the main advantage the lower price, for the retailer is it the possibility to enhance the image, increase of supply and demand, enhance of customer loyalty, as well as the minimization of the risks associated with the introduction of new products (Shapiro, 2016; Cross, 2016; Liu & Wang, 2008; Cheng et al., 2007; Huang et al., 2007; Sethuraman & Cole, 1999; Baltas et al., 1997). As the other possible benefits of private labels for retail could be mentioned not just the reduction in advertising costs and the possibility of determining its own pricing policy, but also the ability and flexibility to change the search and producers, as well as the opportunity to achieve higher margins (Kokemuller, 2014; Machková, 2009; Horská, 2007).

Milk presents a perfect and at same time the most natural beverage with which the human beings meet immediately after their birth and which they use in different forms through round their lives. It is important not just to mention that milk and dairy products are an important source of essential nutrients, including several deficient (especially, in baby food, such as Vitamin D, calcium, and magnesium) (Nicklas, 2009), but also that they can be unquestionably considered as products that maintain the good health, as the prevention of certain diseases, as well as the support for their treatment (Habánová, 2010). The average contribution of dairy products to nutrient intakes in adults in European countries up to the survey of eight Member States says that it is 52 % of calcium, 83 % of vitamin B2, 32 % of vitamin B12, 29 % of phosphorus, 26 % of iodine and 20 % of protein (Eda, 2016). Despite the fact that the consumption of milk and dairy products has in Slovak Republic a long tradition (the history of manufacturing of dairy products is in Slovak Republic more than 100 years old), the nowadays trend shows, that there is a permanent decline in it – while in 1989, Czechoslovakia consumed 260 kg of milk per person and had 166 dairies which were centrally managed, after joining the EU, in the Slovak Republic there was allocated a milk quota for milk production, which was set at the level of 1,061.6 mil.kg in 2009/2010 (Kubicová & Habánová., 2012) and further increased to the level of 1,115.6 mil.kg in 2014/2015 (Kubicová et al., 2014). Finally, after five years of a preparatory increase in their level, milk quotas have disappeared on 1th April 2015 (eurostat, 2015). Unfortunately, while the recommended consumption of milk is set on the level of 220/kg/person/year, the reality in the Slovak republic is nowadays only 160 kg/person/year. After the year 1989 is in the Slovak Republic recorded a sharp drop in the consumption of milk and dairy products, despite improving conditions of production and supply – constantly expanding range of milks and dairy products, development of business networks and high availability of these products across the country. Between the years 1990 and 2000, the consumption of milk and dairy products per capita/year decreased by 80 kg (from 240 kg/person/year to 160 kg/person/year) and the sharpest decline occurred while between the years 1989 and 1993, by which the consumption is more or less stabilized at the level of 160 kg/person/year (Karabová, 2016).

One of the possibilities how to reverse this negative trend is to bring the Slovak consumers to buy and consume more dairy products, especially yoghurts, which are globally the most widespread and most popular fermented milk products, which are well tolerated also by lactose sensitive people (Kubicová & Kádeková, 2013) and which consumption is on the up around the globe, driven by three major food trends – the health, convenience respectively snacking and protein (foodstuffsa.co.za, 2015). Yoghurt is produced exactly when milk (usually the

cow's milk) is fermented with Lactobacillus bulgaricus and Streptococcus thermophilus under defined conditions of time and temperature (Komai, 1992). Its history can be dated back to ancient times, when it is said that the first yoghurt was originally prepared from sheep and buffalo milk and partly from goat and cow once. It was used in the human nutrition for direct consumption and later it was amended with other ingredients such as vegetables, fruits, spices and used for cooking and baking (Šulcerová, 2007). The first industrially prepared yoghurt was produced by the Danone company in the year 1922 and the development of its production can be dated after the World War II (Snášelová, 1999). Nowadays the market of yoghurts is characterized by a huge amount of different kinds and sorts of yogurts which are aimed not just at their core function (serving as a kind of food), but they provide also other added functions, e.g. the loss of weight, improvement of the digestion etd. The second possibility how to reverse the negative trends in the consumption of milk and milk products is to reduce the price of yoghurts, by what they will become more interesting for price sensitive consumers and the third possibility is to combine the previous two possibilities especially by the promotion and support of sale and consumption of yoghurts labelled by the private label because their price is lower, but their quality is the same one as of the traditional yoghurts. This is why the present paper deals with the issue of products and yoghurts labelled by the private label, their quality and preference from the side of Slovak consumers (focusing on the age under 30 years) what can serve as a helping point of marketers and producers, to know, how the Slovak consumers behave on the market of these products, what leads and discourages them from their purchase, as well as how they see their quality.

2 Data and Methods

The aim of the present paper was to determine the preferences of products and yoghurts labelled by the private labels, as well as the perception of their quality from the side of Slovak consumers' under the age of 30 years. In order to achieve the formulated aim, as research methods, there were used the methods of survey, structured questionnaire consisting of 15 questions formulated as closed, so that respondents (total number of respondents was 1,264 randomly selected respondents, from all over the Slovak republic, with the age up to 30 years, Table 1) had the possibility to choose one, or alternatively more options, and the method of blind test. The focus group (respondents with the age up to 30 years) was chosen up to the results of authors' previous works and findings – Nagyová & Košičiarová (2014), Košičiarová & Nagyová (2014), Košičiarová et al (2014) – where they have

realised, that private label products are mostly bought by young people, students, retired and women on the maternity leave.

Table 1 **Characteristics of respondents**

Category of respondents	Number	Place of living	Number
Male	499	City	798
Female	764	Village	465
Economic activity of respondents	**Number**	**Educational structure of respondents**	**Number**
Employed	678	Primary education	60
Unemployed	60	Secondary education without A level	143
Student	395	Secondary education	590
On maternity leave	130	Higher education	470

Source: Results of the research.

The questionnaire was evaluated with the use of contingency tables, which were prepared by Excel, under which they were subsequently developed graphic representations. For a deeper analysis of the obtained results, there have been set out the following assumptions:

- assumption no.1 – our respondents prefer in their purchase products labelled by the private label;
- assumption no 2 – our respondents see the quality of private label products as comparable with the quality of traditional label products;
- assumption no.3 – the most important factor which discourages our respondents from the purchase of private label products is their packaging;
- assumption no.4 – our respondents prefer in their purchase yoghurts labelled by the private label;
- assumption no. 5 – the most important factor leading to the purchase of yoghurts labelled by the private label is their quality;
- assumption no. 6 – our respondents prefer in their purchase the chocolate taste of yoghurts labelled by the private label;

and the following hypotheses:

1. H_{01} – there does not exist the dependence between the frequency of purchase and the respondents' gender.
2. H_{02} – there does not exist the dependence between the frequency of purchase and the respondents' economic activity.

3. H_{03} – there does not exist the dependence between the factors leading to the purchase of private label products and the respondents' gender.
4. H_{04} – there does not exist the dependence between the factors leading to the purchase of private label products and the respondents' education.
5. H_{05} – there does not exist the dependence between the factors discouraging from the purchase of private label products and the respondents' gender.
6. H_{05} – there does not exist the dependence between the factors discouraging from the purchase of private label products and the respondents' education.
7. H_{07} – there does not exist the dependence between the frequency of purchase of yoghurts labelled by the private label and the respondents' gender.
8. H_{08} – there does not exist the dependence between the frequency of purchase of yoghurts labelled by the private label and the respondents' economic activity.
9. H_{09} – there does not exist the dependence between the frequency of purchase and the respondents' economic activity.

To test the formulated dependences, there were used the methods of Pearson's chi-square test, Fisher's exact test, Cramer's contingency coefficient and Phi coefficient, which have been counted in the statistical program IBM SPSS Statistics. Because of the need to determine the quality of yoghurts labelled by the private label, better said the perception of their quality from the side of Slovak consumers' under the age of 30 years, the blind test on the sample of 100 randomly selected respondents was done. The respondents had the possibility to taste four different kinds of yoghurts – a of creamy yoghurt produced by a traditional producer who sells this yoghurt under his brand and three other creamy yoghurts sold under three different private labels. The respondents had to evaluate the mentioned yoghurts up to taste, packaging, consistency, fragrance and colour on the scale 1 – 5 (1 – the best, 5 – the worst).

3 Results and Discussion

As it was mentioned before, private labels and by that the products sold under them are nowadays becoming much more popular not just between the producers and retailers, but also between the consumers. In terms of the establishment of private labels in Slovak Republic, unlike the US and many European countries, it can be stated that even if these labels have penetrated to our market much later (in the second half of the 90s of the 20th century), their penetration was more successful – their introduction was associated with the entry of foreign retail chains on the Slovak market to its business strategy on retail brands used in their home

countries or branches located in different parts of the world (Nagyová & Košičiarová, 2014). The reason is very simple – these products are in many cases cheaper and at the same time in terms of their quality comparable to the products sold under traditional labels. The traditional yoghurts but also the yoghurts labelled by the private label produced and sold in Slovak Republic are not an exception. The present days are characterized by the increasing trend of private label products in retail chains in Slovak Republic but also in the world, by what the introduction of products under private label becomes almost a necessity. Consumers do not have only a high awareness of private labels, but they give them more space in their shopping cart. On the rise is also the trust to the quality of these products, which also corresponds to the growth in the share of private labels on the retail chains' turnover. Therefore, there is a need to focus more on the quality of these products, so that they should bring to their purchase also those consumers who are still sceptic, or frightened from them (Chebeň & Štefúnová, 2011).

Up to the results of research done by TNS Slovakia on the sample of 1,000 respondents in the age between 18-65 years in 2015, it can be stated that almost every Slovak inhabitant (exactly 98 %) has ever bought a private label product and exactly three quarters of them are buying private label product at least for once in a week (tns-global.sk, 2015). This is why the aim of the present paper was to determine the preferences of products and yoghurts labelled by the private labels, as well as the perception of their quality from the side of Slovak consumers' under the age of 30 years. To obtain the formulated aim, a questionnaire survey was realized in the time period of 1st January 2016 to 1st March 2016. As it can be seen from the Table 1, the majority of our respondents were represented by women (60.5 % or respondents), people living in the city (63.2 % of respondents), people with secondary respectively higher education (46.7 % and 37.2 % of respondents) and employed people (31.3 % of respondents). As it was mentioned in the part Material and Methodology, the focus group was chosen up to the results of authors' previous works and findings, where they have realised, that private label products are mostly bought by young people, students, retired and women on the maternity leave.

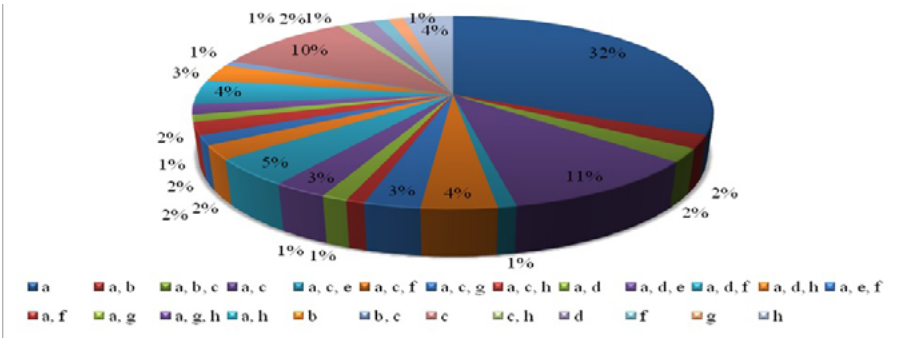
Up to the results of our own research, we can stay that the situation with the preference and perception of private label products is by Slovak consumers' under the age of 30 years pretty good – the majority of our respondents (exactly 38.1 % and 35.0 % of respondents) said that they purchase private label products daily, respectively for few times in a week, exactly 42.5 % of respondents prefer the private label products before the traditional label products (assumption no. 1 is true) and exactly 52.4 % of respondents think that while the private label products are characteristic with lower price, their quality is comparable with the traditional

products (assumption no. 2 is true). Connected with the question of frequency of the private label products purchase there has appeared also the question about the dependence respectively independence between the mentioned variable and the respondents' gender, respectively between the mentioned variable and the respondents' economic activity. Both of the formulated hypotheses have been tested with the use of Pearson's chi-square test, Cramer's contingency coefficient and Phi coefficient. Up to their results we can conclude that while in the case of the first relationship we cannot talk about a dependence, in the case of the second relationship (between the frequency of private label products purchase and the respondents' economic activity) we can talk about a weak but statistically still significant dependence (the result of Cramer's contingency coefficient was equal to 0.082 and the result of Phi coefficient was equal 0.143 what can be interpreted as a very weak relationship) – while employed, unemployed and respondents on maternity leave are purchasing private label products mostly daily, students are buying them mostly for few times in a week.

Because of the need to determine which are the mostly bough categories of private label products, as well as the factors leading and discouraging to and from the purchase of private label products, in the questionnaire were formulated also the questions dealing with this issues. While the results of research done by TNS Slovakia in 2015 have shown that the mostly bought categories of private label products are the paper products, e.g. toilet paper, kitchen towels or handkerchiefs, respectively in the case of food sweets, pasta, non alcoholic drinks, ready meals, semi-finished products and meal and dairy products (tns-global.sk, 2015) and the results of research done by IRi in 2013 in all European countries that these categories are milk and dairy products (61 %), fresh eggs (57 %), cups & plates (56 %), trash bags (54 %), natural cheese (49 %), vitamins (48 %), bottles water (38 %), bread & rolls (36 %), frozen seafood (33 %) and toilet tissues (23 %) (www.preparedfoods.com, 2014), the results of our research have shown that these categories, in the case of people with the age up to 30 years, are the meal and meal products, milk and milk products, sweets, salty snacks and frozen meals (Figure 2). Up to the questions of factors leading and discouraging to and from the purchase of private label products we can conclude that the most important factors leading to their purchase are the quality (39.8 % of respondent), previous experience (27.6 % of respondents) and the price (12.5 % of respondents) and the most important factors discouraging from their purchase are surprisingly again the quality (42.4 % of respondents), packaging (20.3 % of respondents) (assumption no. 3 is partially true), content (16.2 % of respondents) and the lack of information about the exact producer (11.4 % of respondents). The mentioned results are very interesting because up to the question, how do our respondents

see the quality of private label products, exactly 70.1 % of respondents said that they think that the quality of private label products is comparable with the quality of traditional label products, what to some extant confirms also the results of research done by Nielsen on the sample of 30.000 online consumers in 60 countries in 2014, which results show that most of their respondent think that the quality of private label products has improved over the time (71 % of respondents) and that they are a good alternative to the traditional label products (65 % of respondents) (Nielsen, 2014).

Figure 2 **Mostly bought categories of private label products**



Explanatory notes: a – meal and meal products; b – milk and dairy products; c – sweets; d – salty snacks; e – cans, pastas, sauces; f – non-alcoholic drinks; g – alcoholic drinks; h – frozen meals
Source: Results of the research.

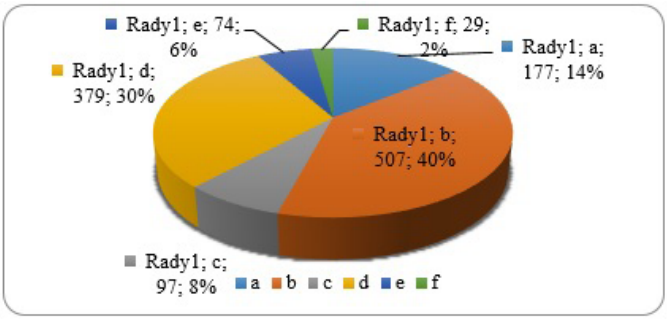
Because of the need to determine, even if there exist a dependence between the factors leading to the purchase of private label products and the respondents' gender, respectively his education, and between the factors discouraging from the purchase of private label products and the respondents' gender, respectively his education, we have formulated the four zero hypotheses connected to the mentioned issues and tested them with the use of Pearson's chi-square test, Cramer's contingency coefficient and Phi coefficient. From their evaluation is clear that the only relationship which was not confirmed was the relationship between the factors leading to the purchase of private label products and the respondents' gender. In the case of other formulated hypotheses we can talk about very weak, but statistically still significant relationship (the result of Cramer's contingency coefficient was equal to 0.102, 0.108, respectively 0.366 and the result of Phi coefficient was equal 0.176, 0.108, respectively 0.634).

As we have mentioned it before, milk and dairy products represent an important part of human beings nutrition, which is a key source of vitamins, calcium, and other nutritional components. Yoghurts represent the most widespread form of dairy products, which consumption has in Slovak republic very deep roots. This is why the second block of questions formulated in our questionnaire survey was aimed at the purchase, preference and perception of yoghurts labelled with the private label. Up to their evaluation we can conclude, that the situation with the purchase, preference and perception of their quality is between the Slovak consumers' under the age of 30 years very good – exactly 38.1 % of respondents and 36.3 % of respondents purchase them definitely and rather, most of respondents purchase them for few times in a week, respectively for once in a month (exactly 28.1 % a 25 % of respondents), more than the half of respondents prefer them before the traditional yoghurts (29.7 % of respondents prefer them definitely and 28.8 % of respondents prefer them rather) (assumption no. 4 is true), the majority of respondents think that their quality is very high and high (44.1 % of respondents and 36.3 % of respondents have judged the quality of yoghurts labelled with the private label with the value 1 and 2) and exactly 93 % of respondents think that the ratio between the price and the quality of yoghurts labelled with the private label is adequate (40.3 %, 31.0 % and 21.7 % of respondents judged the mentioned ratio with the value 2, 3 and 1). Connected with the question of frequency of purchase of yoghurts labelled by the private label there has again appeared the question about the dependence respectively independence between the mentioned variable and the respondents' gender, respectively between the mentioned variable and the respondents' economic activity. Both of the formulated hypotheses have been tested with the use of Pearson's chi-square test, Cramer's contingency coefficient and Phi coefficient. Unfortunately in the case of both formulated hypotheses we have to conclude that there does not exist any dependence between the tested variables.

Because of the need to determine, which are the most important factors leading the young respondents to the purchase of yoghurts labelled by the private label, as well as even are the information shown on the packaging of the mentioned products important for the consumers and which flavour they prefer in their purchase, in the questionnaire survey there were also formulated the questions dealing with the mentioned issues. Up to their evaluation we have to conclude, that Slovak consumers' under the age of 30 years are really thinking about the quality of purchased products and they purchase the yoghurts labelled by the private label because their high quality and lower price – the most important factors leading to the purchase of yoghurts labelled by the private label are their quality (40.1 % of respondents) (assumption no.5 is true), price (30 % of respondents)

and packaging (7.7 % of respondents) (Figure 3), 86.8 % of respondents read the information printed on their packaging always and sometimes (43.9 % and 42.8 % of respondents) and the mostly preferred flavours of yoghurts labelled by the private label are the chocolate flavour, white yoghurts and fruit flavour (29.9 %, 17.5 % and 13.1 % of respondents) (assumption no.6 is true). The mentioned results also confirm the results of research done in 2012 which have shown that Slovak consumers consume mostly white yoghurts and 24 % of male and 40 % of female respondents consume yoghurts daily (zdravie, 2012). Because of the need to determine even if there exists a dependence between the preferred flavour of yoghurts labelled by the private label and the respondents' gender we have formulated the zero hypothesis which was tested with the use of Pearson's chi-square test, Cramer's contingency coefficient and Phi coefficient. Up to its evaluation we can conclude that there again does not exist dependence between the tested variables, which means that women do not prefer more chocolate flavour of yoghurts than the men.

Figure 3 **Factors leading to the purchase of yoghurts labelled by private label**

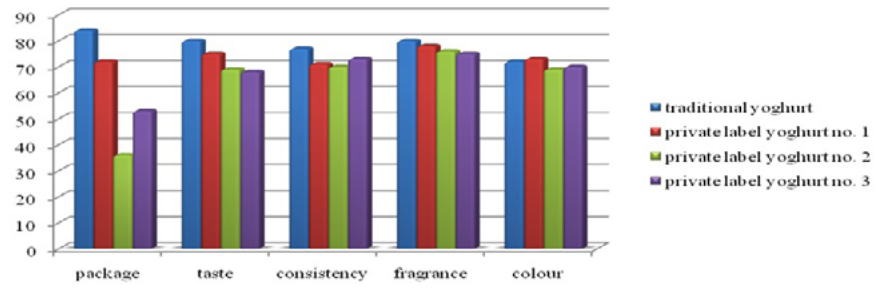


Explanatory notes: a – promotion; b – quality; c – packaging; d – price; e – previous experience; f – recommendations from the family and friends
Source: Results of the research.

Because of the need to determine the quality of yoghurts labelled by the private label, better said the perception of their quality from the side of Slovak consumers' under the age of 30 years, the blind test on the sample of 100 randomly selected respondents was done. The respondents had the possibility to taste four different kinds of yoghurts – a of creamy yoghurt produced by a traditional producer who sells this yoghurt under his brand and three other creamy yoghurts sold under three different private labels. The respondents had to evaluate the mentioned yoghurts up to taste, packaging, consistency, fragrance and colour on

the scale 1 – 5 (1 – the best, 5 – the worst). Up to their evaluation can be concluded that the perception of the quality of private label yoghurts from the side of Slovak consumers' under the age of 30 years is really very good – the differences between the mentioned variables are very small. Up to the taste, consistency, fragrance and colour, it means up to the quality we can conclude that there are small differences, what to some extent confirms also the results of research done Cano_Sancho et al. in 2015. Unfortunately, up to the packaging of yoghurts labelled by the private label there are still big reserves (Figure 4) – most of our respondents still consider the packaging of private label yoghurts as not very interesting and attractive and they want to change them, because now they are mundane and less pronounced.

Figure 4 **Results of the blind test**



Source: Results of the research.

4 Conclusion

The aim of the present paper was to determine the preferences of products and yoghurts labelled by the private labels, as well as the perception of their quality from the side of Slovak consumers' under the age of 30 years. To obtain the formulated aim, the questionnaire survey was realized in the time period of three months. As the results of the survey shows, the situation with the preference of products and yoghurts labelled by the private labels, as well as the perception of their quality is from the side of Slovak consumers' under the age of 30 years very good:

- more than 38 % of respondents purchase private label products daily and over 42 % of respondents prefer them before traditional label products,
- more than 79 % of respondents see the quality of products labelled by the private label as adequate to the price,

- while the most important factors leading to the purchase of private label products are the price, quality and previous experience, the most important factors discouraging from their purchase are the quality, packaging, content and lack of information about the exact producer,
- over 74 % of respondents purchase the yoghurts labelled by the private label and almost 60 % of respondents exactly prefer them before the traditional yoghurts,
- more than 80 % of respondents think that the quality of yoghurts labelled by the private label is very high and high and exactly 93 % of respondents think that the ratio between the price and the quality of yoghurts labelled with the private label is adequate.

Because of the need to perform a deeper analysis of the given issue, in the present paper, were formulated six assumptions and nine hypothesis, which have been tested with the use of the methods of Pearson's chi-square test, Cramer's contingency coefficient and Phi coefficient, which have been counted in the statistical program IBM SPSS Statistics. From their evaluation is clear, that while all the assumptions were true, only four hypothesis have proved a weak but statistically still significant dependence between the tested variables – while employed, unemployed and respondents on maternity leave are purchasing private label products mostly daily, students are buying them mostly for few times in a week; while in the case of respondents with secondary education without A level is the most important factor leading them to the purchase of private label products their previous experience, in the case of respondents with other forms of education is the most important factor the quality; while for women is the less discouraging factor in their purchase of private label products the price, for men is it the lack of information about the exact producer; and while for people with higher and secondary education with A level is the most important factors discouraging them from their purchase of private label products their quality, in the case of people with primary education is it the price and for people with secondary education without A level is their content.

Based on the results of our research, we can conclude that there are still some reserves and problems which could be improved and eliminated as for example the consumers' perception of the private labels' quality, which has to be improved by producers and retailers, who can promote their products especially from this perspective; the still uninteresting cover of these products, where there can be used more colours and more interesting ink to attract consumers; as well as the missing or very small information about the producer, which could be shown on

the packaging of private labels to let customers know, who is the proper producer of them.

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