

**QUALITATIVE STUDY OF CONSUMER PERCEPTION
ON RETAILER PRIVATE LOCAL BRAND PRODUCT
(CASE STUDY AT ALFAMART AND INDOMARET MINI MARKET IN MANADO)**

*STUDI KUALITATIF PERSEPSI KONSUMEN TERHADAP PRODUK RETAIL PRIVATE LOCAL
BRAND (STUDI KASUS DI ALFAMART AND INDOMARET MINI MARKET DI MANADO)*

by:

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Abstract: The continuously growth of business world of retail industry can't be separate by how consumer react towards their private local brand that's why the purpose of this study is to analyze consumer perception on Retailer Private Local Brand Product at Alfamart and Indomaret mini market in Manado area. using in-depth interview result show that most of respondents already buy private local brand of Alfamart and Indomaret mini market in Manado area but only certain kind of private local brand product (PLB) like mineral water, dry and wet tissue, under wear for man and woman, lighter, snacks and envelop. There are many more PLB products but only those products that dominantly purchased by consumers. By this, retailer like Alfamart and Indomaret mini market company need to maintain the selling of most purchased PLB products and hold the true identity of PLB product itself and able to compete with other famous brand not just by the price but also the quality of the product with lower and affordable price.

Keywords: marketing, private local brand, consumer perception, perceived price, perceived quality, perceived risk, perceived value.

Abstrak: Perkembangan berkelanjutan dari dunia bisnis industry retail tidak dapat dipisahkan dari bagaimana reaksi konsumen terhadap Private Local Brand retail itu sendiri, oleh karena itu tujuan dari penelitian ini adalah untuk menganalisa persepsi konsumen terhadap produk retail private local brand di Alfamart dan Indomaret mini market di area Manado. Dengan menggunakan in-depth interview hasil menunjukkan bahwa semua respondent telah membeli dan memakai Private Local Brand Alfamart dan Indomaret mini market seperti air mineral, tissue kering dan basah, pakaian dalam untuk pria dan wanita, snack ringan dan amplop. Ada begitu banyak jenis produk Private Local Brand tapi hanya produk-produk tersebut yang sering dibeli konsumen. Dengan ini, retail seperti Alfamart dan Indomaret Mini Market harus menjaga penjualan produk yang sering dibeli atau diminati konsumen dan memegang identitas dari Private Local Brand itu sendiri agar bias bersaing dengan merek-merek terkenal lainnya tidak hanya dari segi harga yang memuaskan dan terjangkau tapi dari segi kualitas tidak murahan melainkan berstandar tinggi atau baik.

Kata Kunci: pemasaran, merek lokal, persepsi konsumen, harga, kualitas, risiko, nilai.

INTRODUCTION**Research Background**

One of many factors that can affect the growth of economic in Indonesia is the existence of Retailer. The outgrowth of Retailer in Indonesia has increase significantly in the past two years. According to APRINDO (Asosiasi Pengusaha Ritel Indonesia) the growth of retail industry has reach 8 percent in 2015, 10 percent in 2016 and optimist to be at 12 percent in year 2017.

In order to evolve and creating a better chance to survive Indomaret and Alfamart also create their own local brand product (private product label) remembering these two minimarket have expansive business chain than other looking at the area of expansion, they already reach the corner of villages especially in North Sulawesi and with the number of human needs keep rising, retail industry start to take chance in North Sulawesi especially in Manado city. Manado as the capital city of North Sulawesi is one of the city in Indonesia which the economic growth is growing rapidly. It is proved by the rate of economic growth of Manado city in 2015 was about 6, 27% (BPS 2015) and make it as the economic growth above the national economic growth. The economic growth in Manado which is above the national average cannot be separated from the contribution of retail industry. From this we could see that some of retail industry like Alfamart and Indomaret both minimarkets are doing their job pretty well in creating successful business. While Seven Eleven, Circle K minimarket and other small retail stay on their area like big city of Jakarta and its surroundings, Indomaret and Alfamart take a bold chance to further expand the area of their business. There are currently more than 315 Indomaret mini market and more than 200 of Alfamart mini market spread all over Manado city and it proves that Alfamart and Indomaret as the biggest branch holder for mini market retailer industry in Manado.

The continuously growth of a business world of retailer company cannot be separated by how consumer reacts towards their private local brand especially according to Doyle in Gravou and Nicole (2015) master thesis of Consumers' Perception and Loyalty to Private Labels a Comparison of the German and Greek Market said consumer perception can be described as the truth believed by a customer. Private local brand products divided into some variety of products which are; personal care, beverages, cosmetics, paper products, household cleaner, condiments and salad dressings, dairy items and frozen foods. For food products Indomaret and alfamart provide snacks such as beans and pastry, beside that are also mineral water, fruit jam, peanut butter, and messes for bread in private local brand food variety. For personal care and family needs category they provide roll tissue, wet tissue, dish soap, razor, underwear for man and girl and undershirt. The Private label brand or Private Local brand according to Baltas and Doyle in journal "A Study on Consumer Perception Towards Private Label Brands with Special Reference to Big Bazaar, Coimbatore, Tamil Nadu" by Ramakrishnan and Ravindran (2012) are brands owned, controlled, and sold exclusively by a retailer. All the product made with the aim to provide a good selection of quality products at affordable prices to consumers. . In the implementation, private local brand product are new and just steps in to Retail Industry especially for Manadonese people, this product still little known by consumers and it is important to know and to build consumer perception through the variety of product just like the local brand product itself. This is where the problem came from. This is fresh start for the new local brand and people as the consumer need to know how it look, how it taste by their own perception and even from others whether it is succeed to satisfied the needs and wants or not. Looking by this case of private product label in Manado city especially in terms of Mini Market area, it is important to know what kind of perception customer have with the private product label itself, whether it is in form of cheaper price or affordable for certain parties, or the product proven to be good in the quality side. That is why, there are still several things to be researched to create a better performance than the others retailer private local brand product.

Research Objective

To know the Consumer Perception of Alfamart and Indomaret Private Local Brand Product in Manado

THEORETICAL REVIEW**Marketing**

According to American Marketing Association (2012) marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers,

clients, partners, and society at large. In common with Kotler and Armstrong above, the American Marketing Association focuses its definition on value creation and delivery the longer-term retained customer. According to Kehinde et al (in Stanton, 2012:4), marketing is a total system of business activities designed to plan, price, promote, and distribute want satisfying product to target markets to achieve organization objective. Furthermore still from the same journal Kotler and Armstrong mentioned marketing as the process by which companies create value for customers and build strong customer relationship in order to capture value from customers in return.

Consumer Behavior

Consumer behavior involves the study of individuals and the method they employ to choose, utilize, and set out products and services to fulfill their wants and the effect that these method have on the consumer and the society as a whole. Consumer behavior refers to all the thought, feelings and actions that an individual has or takes before or while buying any product, service or idea. Buyer behavior is the concept which answers what, why, how, when, and where an individual makes purchase. As a result, the outcome of buyer behavior is the buyer's Consumer behavior is the attitude that consumer shows in order to adapt with the need and wants of the products that they want to buy and purchase in intention to understand deeper and to make sure the individual, groups, or organization satisfy or dissatisfy with the products that they purchase or even not. The entire purchasing process involves giving a thought on what should be bought, which brand is good or suitable, from where or whom should the purchase be made, when to purchase, how much to spent, and how many time to buy and in what intervals. Consequently the end result of the buyer behavior is the customer's final decision regarding the product choice, brand choice, dealer choice, purchase timing, purchase amount and purchase frequency.

Consumer behavior is the study of the processes involved when individual or groups select, purchase, use, or dispose of the product, service, ideas or experiences to satisfy needs and desires (Solomon, 2004:483). Consumer behavior involves the psychological processes that consumers go through, in recognizing needs, finding ways to solve their needs, making purchase decisions, interpret information, make plans and implement these plans and according to Galalae and Voicu (in Engel et al, 1986) Consumer Behavior is the act of individuals directly involved in obtaining and using economic goods and services including the decision process that precede and determine these acts.

Consumer Perception

Perception in a marketing context according to Gravou and Neffe (in Strydom, 2007:43) "as the entire process by which an individual becomes aware of the environment and interprets it so that it will fit into his/her own frame of references". This definition is valid for this study. In general, according to Gravou and Neffe (in Doyle, 2011:3) perception can be described as the truth believed by a customer. As a person is an individual and shows individual needs, values and expectations, the interpretation of an object or a situation is individual as well In terms of marketing, perception is relevant as a marketer should be interested in why the consumer chooses to buy a certain product or shop in a certain supermarket (Strydom, 2007:46). Thus, some researchers dedicated their studies to this research field as described above. Besides generally looking at the perception of private labels as for example in the study by De Wulf (2005), researchers have addressed certain aspects of perception such as the perceived risk which often includes perceived value, quality and price. In terms of perception, there are some specific aspects presented such as perceived risk, perceived value, perceived quality and perceived price, which present more accurately the meaning of the term. 'Perceived risk' is a term often used in research of perception and describes purchase situations in which a consumer has to weigh possible losses to the value they expect such as quality differences according to Gravou and Neffe (in Semeijn, 2004). One of the first definitions of perceived risk describes that the consumers' behaviour involves risk as the purchase will produce consequences which cannot be known by the consumer with certainty according to Gravou and Neffe (in Bauer, 1960). This is supported by other definitions such as the one by Gravou and Neffe (in Cunningham, 1967) who describes that perception can be seen as the individual, subjective feeling of the uncertainty that a purchase might bring negative consequences. Gravou and Neffe (in Taylor, 1974) and Dowling and Staelin (1994) describe as well that consumers perceive risk because they experience uncertainty regarding their purchase and might have to expect undesirable consequences after the purchase. Bauer's (1960)

initial definition is also most relevant for this study as it is still used commonly and other definitions are rather based upon it.

Perceived Price

Perceived Price understands in way of value which customers are willing to pay for a particular product or service based on their perception about the product that not based on the cost of the product, but it is the value which the customers thinks that he/she is deriving from consuming a product or a service.

From the consumer perspective, price is what is given up or sacrificed to gain the products which means it is about how people is willing to purchase product by relating the product itself with the price that matters in possibility of lower price but can also in terms of higher price depend on what kind of product it is and what circumstances that pushes consumer to pay. Perceived price is described as the amount the consumer is willing to give up or sacrifice in order to receive a product according to Gravou and Neffe (in Zeithaml, 1988).

Perceived Value

Perceived value is the worth that a product or service has in the mind of the consumer. For the most part, consumers are unaware of the true cost of production for the products they buy; instead, they simply have an internal feeling for how much certain products are worth to them. Perceived Value definition is essentially the same as the economist's definition of utility, that is, a subjective measure of the usefulness or want satisfaction that re-sults from consumption. Value has been de-fined as "whatever it is that the customer seeks in making decisions as to which store to shop or which product to buy" according to Ravindran and Ramakrishnan (in Chain Store, Age 1985) and also Ravindran and Ramakrishnan (in Schechter, 1984) defines value as all factors, both qualitative and quantitative, subjective and objective, that make up the complete shopping experience. In these definition, value encompasses all relevant choice criteria.

Perceived Quality

Perceived quality cannot necessarily be objectively determined in part because it is a perception and also because judgments about what is important to customers are involved. Perceived quality is a critical element for consumer decision making; consequently, consumers will compare the quality of alternatives with regard to price within a category (Jin and Yong, 2005).

Perceived Risk

Perceived risk can be define in form of the uncertainty a consumer has when they want to buy the product, mostly those that are particularly expensive especially in higher price. Every time a consumer considers buying a product, he or she has certain doubts about the product, especially if the product in question is highly priced.

Perceived risk is defined as the uncertainty that consumers face when they cannot foresee the consequences of their purchased decision. According to Gravou and Neffe (in Zeithaml and Bitner, 2003), perceived risk will typically influence early stage of consumer buying process.

Private Local/Label Brand

According to Gravou and Neffe (in Lincoln and Thomassen, 2008) Private labels are the brands owned and sold by retailers. This includes all products produced by or on behalf of a retailer in order to sell it in the retailer's store. This definition can be seen for the most relevant one in this study. In literature, the term is also described as "store brand" or "retailer brand" (Lincoln and Thomassen, 2008). "Having own brands means that we can sell equivalent products for a lower price and still have a better margin. In addition we have control over our products. It is of importance to mention that there are several alternative words for "private labels" like "own brand" or "Distributor Own Brands" (DOB),"retailer brands"," wholesaler brands". While those words are in use to refer to the fact that the products are branded in the same way as that of the manufacturers', the word "private label " seems to be good choice of word, indicates the aspiring creation rather than merely placing the name on the products to obtain consumer recognition. Store brands are also known as own brand, house brand or private label brands by Tanasuta and Metharom (in Collins-Dodd and Lindley, 2003). As private labels are an alternative to manufacturer brands in terms of price and quality, the consumer has a strong advantage when

buying such products. Nevertheless, private labels are also positive for the retailer selling them, as extra competition in the market created also private local/label prove to be a strategy for improving the store image as well as to increase the profitability according to Gravou and Neffe, 2015 (in Quelch and Harding, 1996). Additionally, private labels can increase the retailer image and store loyalty towards the retailer according to Gravou and Neffe (in Mayer and Vambéry, 2013). As it already mentioned above that private labels and consumer behavior is depending on consumers' perception of the products. The way consumer perceive their quality, their value, their relation to manufacturer brands and the advantages of using private label products have an impact on their performance and lastly the perception of private label/local brand is significant because it is about the retail brand itself and for these reasons it is important to look closer at and analyze further the concept which is consumer perception to private local brand so that reader could gain more knowledge and able to understand what influence and what kind of perspective do consumer get based on the products.

Previous Research

Based the on the theoretical review and empirical review the researcher found that there are many theory and lessons learned related to the recent study which could be adopt for further reference to finish the research. Gravou and Neffe (in Doyle, 2011) said about perception in general is the truth believed by a customer which is acceptable because talking about perception it's about how people see something based on their personal opinion and what they are believing for on the first impression of see and feel about the product or. Moving on to theory and research, the researcher would like to adopt the theory from the previous research of Nguyen and Gizaw (2014) with tittle "Factors Influence Consumer Purchase Decision of Private Label Food Product". The previous research explain about four indicators of consumer perception about private label using the combination of qualitative and quantitative approaches which are perceived price, perceived quality, and perceived risk. From that reader can see the fact that it is related with the recent study and the previous study because researcher interesting and adopt the theory from previous research but the different is that recent study only use qualitative approach and it carried out through in-depth interviews. Finally this study use the previous research as the main theory to be adopt because of the indicators and the similarity of indicators from the previous to the next research.

RESEARCH METHOD

Type of Research

This research is using qualitative research methodology to explore the consumer perception of Private Local Brand product of Alfamart and Indomaret mini market in Manado area.

Time and Place of Research

The research have been held in Manado area while the interview were conducted in different area in location of every informant.

Population and Sample

Population is identifiable group of elements (e.g, people, products, organizations) of interest to the researcher and pertinent to the information while aaccording to Runtulalo (in Sugiyono, 2007: 390-391) Sample in qualitative research is not called as respondent instead as a sources, participant, informant, friend and teacher in research process.

Data Collection Method

Data collection method play an important role in impact evaluation by providing useful information to understand the process behind observed result. In this part data collection method divided into primary and secondary data with in-depth interview and observation.

Operational Definition

Operational definition is a certain explanation about some issues that measured by certain terms, in this research by Indomaret and Alfamart in Manado area itself. It is used to make a clear explanation about the consumer perception towards local Private Local Brand in Manado area.

Data Analysis Method

According Durga (in Miles and Huberman , 1994) there are generally steps in qualitative data analysis: Data Collection – Data Reduction - Data Display – Drawing and Verifying Conclusion.

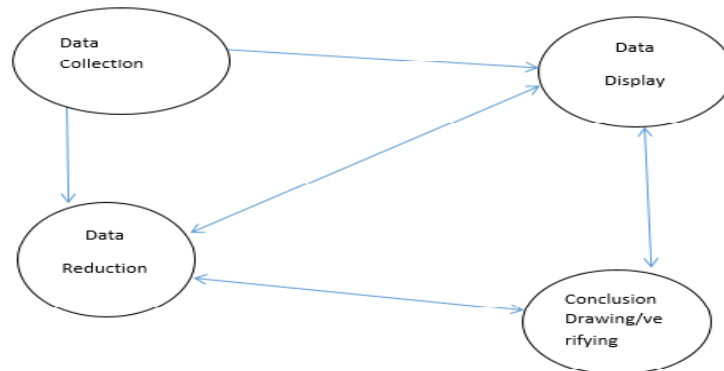


Figure 1.Steps in Qualitative Data Analysis

Source: *Research Method for Business, 2007*

Reliability and Validity

Validity and reliability in qualitative research have a slightly different meaning in qualitative research in comparison to quantitative research (Sekaran and Bougie, 2013). Based on Sekaran and Bougie (2013), the reliability in qualitative data analysis includes category and interjudge reliability.

RESULT AND DISCUSSION

Interview Result

The following are the round up result after interviewing 10 informants who ever bought Private Local Brand product of Alfamart and Indomaret mini market in Manado area. This result use qualitative research and use in-depth interview as the tool to gain information.

Informant 1: Mr. Hendra Walangitan (Entrepreneur, 27th)

According to informant 1 looking at the side of the price of PLB itself yes it is concern to be cheap and of course attract consumer to buy it for some PLB products but there are some of it that don't attract consumer to buy it and the kind of product is food just like fruit jam or the pastry snacks because Alfamart and Indomaret PLB's with food category still not into consumer's interest in terms of taste is not as good as other brand. Move on to the risk of buying the PLB product, informant 1 find that there is nothing wrong with the risk because all he know that every product have their own standardization back to their own companies. At the end of conversation consumer say the price of the products are worth it with both quality and value of the PLB product at Alfamart and Indomaret mini market.

Informant 2: Ms. Maria Mawa (Athlete, 22th)

Informant 2 has the same opinion about the price of PLB (Private Local Brand Product) at Indomaret and Alfamart mini market in Manado which is cheaper than other brand that they found and in this part informant 2 has more interest to buy PLB product of wet and dry tissue, mineral water, snacks like tempe snack, and hand sanitizer. Unfortunately PLB's product of food is not as good as other product leading brand that available in alfamart and indomaret mini market because like informant 2 say "*I don't know why but the snack with Indomaret brand taste not to good. That's why when it comes to food I prefer other brand than PLB itself*". Finally, informant 2 see PLB products as average products which not excellent in quality but also not too bad, just average or just good but there is exception just for food that is snack or pastry that is below average.

Informant 3: Mr. Christa Tenges (Entrepreneur, 25th)

Informant 3 interested to buy and purchase Alfamart and Indomaret PLB's product in terms of satisfying his needs but with a lower price of products and informant 3 dominantly buy PLB's product with

category of mineral water, wet tissue and dry tissue. Aside of the price is cheaper, according to him the value of the product is good and just the same as other famous product that we used to buy and it means we do not need to worry about the quality because it is proved to be great and consumable.

Informant 4: Mr. Galileo Taroreh (Entrepreneur, 23th)

Informant 4 ever bought PLB's product at Alfamart and Indomaret mini market with product like dry tissue, wet tissue, mineral water and underwear product. Consumer perception based on price is that the quality of the product is equal with the price that they give which cheaper than other famous brand but still the product is fine but not excellent.

Informant 5: Mr. Gerald Lumempouw (College student, 23th)

Informant 5 believe that PLB product as Alfamart and Indomaret gives him the benefit of saving more money and time. The products that he ever bought are dry tissue, lighter, mineral water, rice and under wear which dominantly goes to everyday need category of product. According to informant 5, PLB products can compete with other famous brand product but not for food product because informant 5 never try Alfamart and Indomaret PLB's food product except for rice and mineral water because as for himself all mineral water is just the same in matter of taste.

Informant 6: Mr. Dion Tangkudung (College Student, 23th)

Informant ever bought PLB product both in Alfamart and Indomaret mini market and some of the product that he ever bought are mineral water, wet and dry tissue and under wear. The only thing that informant concern is not about branding but it is about the risk of distribution system because doesn't matter what brand the products labeled, if the way company distribute products not in the good way or out of standardization supervision, then the risk of consumer accepting bad quality of product will rise. All that matters in informant 6 opinion is that the branding is not the problem, most important of all is the standardization of the product have to be qualified and by that consumer will not incur losses.

Informant 7: Mrs. Rita Maukar (Civil Servant, 50th)

Informant 7 claim that the cost of the price will not be noticed if we just buy it for one product, but if we buy it in a big number of product then we will feel the extra cost. Not just that, informant 7 also feel comfortable to buy some of PLB product at Alfamart and Indomaret mini market because of the monthly offer they give like promo of buy one mineral water get one free giving the consumer another satisfaction. Benefit of buying PLB product at Alfamart and Indomaret mini market also is about managing time because alfamart and Indomaret mini market in Manado already available in so many spots in Manado area, it makes it easier for consumer to buy the things they need. At the end it is worth it to buy some of PLB products at Alfa and Indomaret mini market in Manado.

Informant 8: Mr. Harry Sondakh (Driver, 25th)

Informant 8 only buy several products labeled Alfamart and Indomaret brand like dry tissue, lighter and mineral water. When it came to this two last informant, interviewer found that PLB's product that known and buy most are mineral water and tissue. Almost the same like other informant answers that they interested to buy Private Local Brand at Alfamart and Indomaret mini market because from the side of price, it is the cheapest compare to other brand like Aqua, Ades, Club for mineral water category. At the end for those product, it is worth the value, and worth the price.

Informant 9: Mrs. Eunike Masengi (Housewife, 23rd)

Informant 9 mostly has pretty much the same answer like any other informant that interviewer found which often to buy PLB product at Alfamart and Indomaret personal needs like under wear, mineral water, wet and dry tissue looking at the price which is cheap, we can find alfamart and indomaret mini market almost everywhere and that's make consumer buy the product often like whenever they need to buy tissue they just think the nearest minimarket they could find and go get the product.

Informant 10: Ms. Cindy Posangi (Employee, 25th)

Last informant give her opinion about Private Local Brand product that she ever bought which are Alfamart and Indomaret mineral water, wet tissue, roll tissue and last the envelop. The reason she buy those PLB products because it's not hard to find Indomaret and Alfamart mini market in Manado area and aside of her job as employee, she buy envelop for the job importance. Looking at price, it really helps her to manage her savings because when there is an unexpected small event that she needs to handle then informant 10 need to use her money first and the expense will be return after she make accountability report and that's why PLB products in Alfamart and Indomaret mini market like mineral water really play a big deal in terms of serving price and quality in affordable level to be buy. Last about taking risk on buying other product she never try will never be informant 10 option because aside of PLB product of food according to her is not trustable, also looking at the packaging design and form already decreasing the intention and interest of buying food product of PLB in Alfamart and Indomaret mini market.

Discussion

Private Local Brand (PLB) product or also known as Private Label Brand products play a big role in retailer industry now a days because through it Retailer Company can get a huge benefit like having a complete control over product ingredients and quality. As it shown on interview result, all informant once again have similar answer in terms of the way they see the product with their own perception whether it's from the side of the price, quality, value of the products and also risk of buying or having the products. However informants have their own opinion because each and every person has a different perception and of course experience even it is the same product but different consumer.

Perceived Price

Based on the theory above, informant 1 to 10 is willing to sacrifice the money they had just to gain the product once again because the price they paid are affordable for all the informant so far and it's a good product too. Finally, from the result we could see and understand that consumer perception on retailer Private Label Brand (PLB) product in this case at Alfamart and Indomaret mini market in Manado area concern to be lower at the price or cheaper compare to other known and famous brand but not bad in terms of quality.

Perceived Quality

It is true that the quality of the product determine by their performances and PLB products which informant 1 to 10 ever bought have proven to be good for some products looking at the side that they've been using it the hole time when Alfamart and Indomaret mini market show up in Manado city. When it comes to PLB products there are many variety of products we could find and turn out not all PLB product as good as others. Just like informant 1, 3, 4, 5, 6, 8, 9, 10 said they do not like or even have interest to buy PLB products for food category because it is about something they eat and they don't want to mess up with the health issue the fact that the informant has a less knowledge about PLB food products, different with mineral water because it is more trustable since according to informant 1 to 10 they want to drink it because other consumer ever drink it plus it is the cheapest compare to other famous branded mineral water available in the market.

Perceived Value

Through this research we could know that perceived value in this understanding is the performance of the product equal the quality of PLB product and based on the interview result there are PLB products that earn the equal value which deserve to be purchase because it gives a great feedback for consumer in terms of value of using the PLB product gives a big different before using and after using the PLB product. PLB Products that have a big value for consumer to buy are mineral water, dry and wet tissue, and under wear product. Those are PLB product that has been bought from informant 1 to 10 and based on the value, products that offered if the price we spend is lower than the value inside our thoughts than the bigger the chance for consumer to be loyal because the value that has been deliver is bigger than the value that we thought and PLB products that were mention before successfully make it more valuable compare to other PLB product in food category.

Perceived Risk

Both consumer and sellers attempt to reduce the degree of risk perception in business transaction just like PLB food product in the way informant 1,2,3,4,5,6,8,9,10 seeing it, they have this uncertainty and doubt if they buy the food product it will risk their financial and afraid their money spend on something not worth to try and just like informant 9, she never want to risk her money on something she never try before especially for foods. So, the only concern and risk that consumer afraid of located of retailer PLB product with category of food because the packaging, because the taste and packaging is not convincing enough for consumer to buy.

CONCLUSION AND RECOMMENDATION**Conclusion**

The conclusion drawn from this research are:

1. There are so many variety of Private Local Brand (PLB) products, only few category of product that already known and purchased by consumer which for dairy items category there are dry and wet tissue, lighter, under wear for men and woman. For beverage category there are snacks, rice, and mineral water. For paper product category there is envelop and for personal care category there are hand sanitizer and hand soap wash. The products that has been purchased the most according to interview result are mineral water, wet tissue and dry tissue because those products proven to have the best performance among other PLB products. Consumers have the perception of doubt and uncertainty of buying other retailer Private Local Brand product like food products even it has lower price but because lack of advertising for the product also less interesting in packaging and design of the food package and the most fatal aspect which are the taste and quality of retailer PLB food product at Alfamart and Indomaret mini market considered to have less good performance makes it less interesting for consumer to buy the product.
2. Consumers have the perception of doubt and uncertainty of buying other retailer Private Local Brand product like food products even it has lower price but because lack of advertising for the product also less interesting in packaging and design of the food package and the most fatal aspect which are the taste and quality of retailer PLB food product at Alfamart and Indomaret mini market considered to have less good performance makes it less interesting for consumer to buy the product.

Recommendation

1. For Retail company that provide Private Local Brand (PLB) products especially Alfamart and Indomaret mini market in Manado area, first recommendation is it is really important to maintain brand and product identity in this case when it talks about Private Local Brand, it can be in any form of product, that's why seller need to hold the true identity of Private Local Brand product itself, otherwise consumer will be confused with all the variety of products that the company offer and end up not buying any of it because it's too many and there are no priority product to be precedence. Second, for PLB category of food products, the company needs to find a better strategy and breakthrough in terms of raising consumer interest for buying the products whether it's from the side of packaging, design of the package, and most of all the quality of the product itself needs to be update so that PLB food category will not be underestimated by consumers and also it is important that the food product needs to be publish often so that consumer has that product knowledge and to begin a great starter line in order to make consumer liking the product. Last for other category of PLB products like mineral water, tissue, and under wear product just need to maintain the selling so that it will not decrease.
2. For the government, since Retail company like Alfamart and Indomaret mini market already take part in raising and increasing the economy of Manado city, then it is important to maintain the existing cooperation whether it is about the law or existing rule in business chain, keep it fair and open up to any business opportunity especially the existing retail company in Manado without forgetting the point of creating a prosperous society in Manado city.

3. For universities, to give some knowledge for the students especially economic and business students to know about private local brand product and retail company and its relation.
4. For next researcher, it is recommended to conduct research in wide areas of population, bigger sample and deep research about consumer perception towards retailer private local brand product at Alfamart and Indomaret mini market not just in Manado but across city and regency in North Sulawesi area.

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