

SCIENTIFIC ADVISOR'S REFERENCE

Program:	Master in International Business Program
Student:	Kirill A. Kosyrev
Title of thesis:	«PRIVATE LABEL'S ROLE IN CUSTOMER LOYALTY CREATION FOR RETAIL CHAINS ON THE CONSUMER MARKET OF RUSSIA (CASE OF INTERNATIONAL RETAILERS AUCHAN AND PRISMA)»

Justification of the topic choice. Accuracy in defining the aim and objectives of the thesis. Justification of the topic choice; accuracy in defining the aim and tasks of the thesis; originality of the topic and the extent to which it was covered; alignment of the thesis' topic, aim and objectives.

The author has selected for his study a topic which is exceptionally *actual* in retail branding activities- the private label's role in customer loyalty creation for retail chains. Clearly private labels become new strong tools as for competition inside retail industry between players, so with other market players which before had strong bargaining power over retailers - manufacturer brands.

The *main goal of the research* was to test the effect of private labels on the customer loyalty towards retail chains on the consumer market of Russia. For this goal, two international retail chain companies with developed private label portfolios were selected.

Previous researchers have pointed to various benefits of private labels for retailers, but have they evolved to such level so to be able to compete directly at the same level of offered value with national brands on the international basis, that is the question which is yet untapped and signifies a clear research gap. There is a lack of previous researches about current issue. There are no researches which dig deeper into the matter of the issue, they do not touch the aspect of existing private label types or the level of private label customer awareness in the country of presence.

At the very beginning of the thesis, *clear goals and objectives* were stated by Kirill Kosyrev, which defined further character of research, structure of the thesis and the conclusions which were supposed to be formulated as a result of the thesis. The topic of master thesis is fully covered and opened.

Structure and logic of the text flow. Logic of research; full scope of the thesis; alignment of thesis' structural parts, i.e. theoretical and empirical parts.

The paper is *well structured*. It consists of three chapters. The first chapter was devoted to theoretical analysis of two main concepts for current research - private labels and brand loyalty. Review of existing theory has provided necessary information about existing types of private labels and approaches to measuring brand loyalty. In the second chapter the author considers private label portfolios of two international retailer chains. In the third chapter the author tests the effect of private label concept on the brand loyalty level of an international retail chain company and possible benefits from its implementation by investigating the relationship between private labels and store loyalty.

The author found an *optimal balance* between theoretical and empirical parts of the thesis.

Quality of analytical approach and quality of offered solution to the research objectives. Adequacy of objectives coverage; ability to formulate and convey the research problem; ability to offer options for its solution; application of the latest trends in relevant research are for the set objectives.

During the research concept of private label and brand loyalty were thoroughly analyzed. A detailed analysis of Auchan and Prisma retail chains and their private label portfolios was conducted. Relying on the created hypotheses a conceptual model was developed. The model was tested with the help of regression analysis based on the information gathered during conducted survey. As a result of analysis, tested links in the conceptual model were proved to be significant. It was proved that private labels positively affect customer loyalty towards retail chains. Also it was proved that private label satisfaction, attitude and awareness - play crucial role in generating loyalty towards private label products and their retail chains.

Quality of data gathering and description. Quality of selecting research tools and methods; data validity adequacy; adequacy of used data for chosen research tools and methods; completeness and relevance of the list of references.

The *quality of selecting research tools and methods* is rather high. To realize the main goal of the research next methods were applied by author in a proper way:

- theoretical research using secondary data - in order to collect information for analysis of both brand loyalty and private label's specifics;
- empirical research - survey of retail chain customers; targeted to identify the relationship between private label's loyalty, private label's attitude, private label's satisfaction and store loyalty;
- quantitative research - conducted using multiple regression analysis

There were used a huge amount of different sources of information, which allow to make multi-layer analysis of the topic. It is important that author collected some data from the previous sources, which are of great importance for such kind of research.

The list of *references* is complete and relevant.

Scientific aspect of the thesis. Independent scientific thinking in solving the set problem/objectives; the extent to which the student contributed to selecting and justifying the research model (conceptual and/or quantitative), developing methodology/approach to set objectives.

There is a need to point out that the work represents a *valuable independent creative research*, which is logic and well structured. From the very beginning till the end of work we can see that there is a very clear statement of the goals of the research and its objectives

The *theoretical value* of this paper is to *develop the theory of retail branding*. During the research concept of private label and brand loyalty were thoroughly analyzed. A detailed analysis of Auchan and Prisma retail chains and their private label portfolios was conducted. Relying on the created hypotheses a conceptual model was developed. The model was tested with the help of regression analysis based on the information gathered during conducted survey. As a result of analysis, tested links in the conceptual model were proved to be significant. It was proved that private labels positively affect customer loyalty towards retail chains.

Practical/applied nature of research. Extent to which the theoretical background is related to the international or Russian managerial practice; development of applied recommendations; justification and interpretation of the empirical/applied results.

The results of the marketing research have *practical value*. Relying on obtained results of the research, *significant* recommendations concerning improvement of customer brand loyalty towards private labels and their corresponding retail chains Auchan and Prisma were developed by author.

Quality of thesis layout. Layout fulfils the requirements of the Regulations for master thesis preparation and defence, correct layout of tables, figures, references.

Layout fulfils the requirements of the Regulations for master thesis preparation and defence.

As for the *bibliography list*, it looks representative as it includes various sources of publications. The articles and monographs were picked up in accordance with the topic and helped the author to make an theoretical overview of the current problem. As the result the master thesis has neat appearance and makes a positive overall impression.

The Master thesis of *Kirill Kosyrev* *meets* the requirements for master thesis of Master in International Business program thus the author of the thesis can be awarded the required degree.

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Scientific Advisor:

Associate Professor



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