

## Private Label Food and Non-alcoholic Drink - UK - November 2015

Report Price: £1750.00 | \$2834.04 | €2223.04

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“That three in 10 shoppers would like to have a say in new products being added to own-label ranges, indicates this an a valuable route for own-brands to canvas the opinions of shoppers whilst also helping to build engagement and loyalty.”

Emma Clifford, Senior Food and Drink Analyst

### This report looks at the following areas:

- Inviting shoppers to influence NPD can help to elicit trust and build quality perceptions
- Scope to harness interest in how own-label products are made
- Supporting small producers can enhance the appeal of own-label products

#### Products covered in this report

Manufacturer brands: products which are available in grocery stores and can be brand leaders or secondary brands. Examples include Heinz, Kellogg's and Mars.

Private label: brands which are controlled and managed by retailers, carrying either the retailer's name or an exclusively created name. This group includes tertiary/venture brands which are exclusively made for a retailer such as Tesco's Parioli brand.

Own-label: products which carry the retailer's name, with sub-brands segmented according to considerations such as health and price. Examples include Waitrose's LOVE life range and Asda Chosen by You.

Premium own-label: products positioned towards the higher end of the price spectrum and looking to compete with brands in terms of quality. Examples include The Co-operative's Truly Irresistible, Sainsbury's Taste the Difference and Morrisons' M Signature ranges.

Standard own-label: products positioned as retailers' core range with a mid-tier price (typically undercutting brands by around 20%), generally covering the majority of product markets. Examples include Sainsbury's and Tesco.

Value/economy own-label: products positioned at the lower end of the price spectrum, serving as the opening price point in each category. Examples include Tesco Everyday Value and Waitrose essentials.

This report focuses on private label food and non-alcoholic drink.

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Supporting small producers can enhance the appeal of own-label products

The facts

The implications

## The Market – What You Need To Know

The private label food market is worth £47.9 billion

Falling prices saw private label sales slip into decline in 2015

Private label outperforms brands thanks to booming sales at discounters

Rising consumer spending should promote trading up within own-label

Non-alcoholic drinks tend to be dominated by private label

Own-label has a near monopoly in fresh fruit and veg, meat and fish

Confectionery is the domain of brands

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Own-label has a near monopoly in fresh fruit and veg, meat and fish

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Confectionery is the domain of brands

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Branded products increase share of NPD in 2014

The branded to private label ratio varies widely between categories

Tesco and Asda review their entire product ranges

M&S launches a 'Tastes of the British Isles' range

Lidl launches major price comparison campaign against brands

Tesco introduces Brand Guarantee

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Frozen food is put in the limelight

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M&S launches a 'Tastes of the British Isles' range

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Asda launches Good & Balanced and Good & Counted ranges

Private label offers up ethical solutions

'Project Reset': Tesco reviews its entire product range

Asda also unveiled a new strategy

Aldi seeks to offer organic at an affordable price

## Brand Communication and Promotion

Lidl launches major price comparison campaign against brands

Tesco introduces Brand Guarantee

Marks and Spencer introduces Sparks 'members' club'

Sainsbury's pushes its private label ingredients

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Waitrose allows shoppers to choose their own discounted products

Asda brings back the 'pocket tap'

Aldi sponsors Team GB ahead of Rio 2016 Olympics

Grocers take very different approaches in their Christmas 2015 advertising

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Over-55s are top buyers of premium own-label products

High levels of mix and matching across brands and own-label

Premium own-label has to innovate and prove its value

Giving the shoppers a say can drive engagement

A poor own-label offer is a put-off

A third would not spend extra on their grocery shop

Everyday low pricing appeals

Shoppers are keen to support small producers

Independent awards help to build perceptions of quality

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Over-55s are top buyers of premium own-label products

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## Attitudes towards Premium Own-label

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Premium own-label has to innovate...

...and prove its value

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A poor own-label offer is a put-off

Giving the shoppers a say can drive engagement

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Everyday low pricing appeals

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Shoppers are keen to support small producers

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Shoppers want the best of both

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Tertiary brands more acceptable as gifts than premium own-label

Independent awards help to build perceptions of quality

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