

# Impact of Private Label in the Online Food and Drink Market - US - February 2019

Report Price: £3254.83 | \$4395.00 | €3662.99

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



"Private label share of food and beverage sales at store-based retailers has made gains in the past couple of years, driven by retailers' efforts to strengthen their store brands.

The shift to online grocery shopping has potential to disrupt the relationship between name brands, retailers, and private label, creating opportunities for retailers."

**- John Owen,  
Associate Director - Food & Drink**

This report looks at the following areas:

- Most food and beverage shopping still happens in-store
- Online shoppers less likely to be motivated by price
- Most frequent online shoppers least likely to purchase store brands
- Online grocery shoppers a little more likely to stick with name brands
- Online shoppers' positive views of store brands point to further gains
- Online shoppers open to a range of store-brand concepts and tactics

**BUY THIS  
REPORT NOW**

**VISIT:**  
[store.mintel.com](http://store.mintel.com)

**CALL:**  
EMEA  
+44 (0) 20 7606 4533

Brazil  
0800 095 9094

Americas  
+1 (312) 943 5250

China  
+86 (21) 6032 7300

APAC  
+61 (0) 2 8284 8100

**EMAIL:**  
[reports@mintel.com](mailto:reports@mintel.com)

## DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

# Impact of Private Label in the Online Food and Drink Market - US - February 2019

Report Price: £3254.83 | \$4395.00 | €3662.99

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## Table of Contents

### Overview

What you need to know

Definition

### Executive Summary

Overview

Most food and beverage shopping still happens in-store

Figure 1: Approach to food and beverage shopping, by age, December 2018

Online shoppers less likely to be motivated by price

Figure 2: Food shopping priorities, by shopping approach, December 2018

Most frequent online shoppers least likely to purchase store brands

Figure 3: Purchase of private label by category, by shopping approach, December 2018

Online grocery shoppers a little more likely to stick with name brands

Figure 4: Store brand shopping behaviors, by in-store vs online, December 2018

Online shoppers' positive views of store brands point to further gains

Figure 5: Attitudes toward store brands, by shopping approach, December 2018

Online shoppers open to a range of store-brand concepts and tactics

Figure 6: Factors to encourage private label purchase, by shopping approach, December 2018

What it means

### The Market – What You Need to Know

Private label share growth accelerates in traditional retail channels

Broader ecommerce trends impact grocery sector

Millennials take on more grocery shopping responsibility

Americans are trying to eat healthier

### Market Perspective

Private label share growth accelerates in traditional retail channels

Figure 7: Private label share of multi-outlet food and drink sales, 2013-18

Walmart's store-brand success in-store could translate to ecommerce

### Market Factors

Broader ecommerce trends impact grocery sector

Millennials take on more grocery shopping responsibility

Households with children on the decline

Most consumers report making an effort to eat healthy

Figure 8: Approaches to healthy eating, May 2018

Young adults far more likely to see barriers to healthy eating

Figure 9: Barriers to healthy eating, by gender and age, May 2018

### Key Players – What You Need to Know

**BUY THIS  
REPORT NOW**

**VISIT:** [store.mintel.com](http://store.mintel.com)

**CALL:** EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)

# Impact of Private Label in the Online Food and Drink Market - US - February 2019

Report Price: £3254.83 | \$4395.00 | €3662.99

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Traditional retailers with strong store brands invest in ecommerce  
 Amazon trails in grocery private label but is looking to expand  
 Beyond value: leveraging store brands to meet more diverse shopper needs

## What's Happening?

Traditional retailers with strong store brands invest in ecommerce  
 Private label an important part of Kroger's ecommerce initiatives  
 Leveraging Kroger's direct marketing expertise  
 Figure 10: Kroger grocery delivery promotional email, January 2019  
 Figure 11: Kroger Simple Truth private label promotional email, January 2019  
 Walmart leverages strong store brands as it expands pickup and delivery  
 Figure 12: Walmart Grocery Pickup promotional email featuring private label products, January 2019  
 Amazon trails in grocery private label but is looking to expand  
 Figure 13: Amazon Solimo promotional email, June 2018  
 Beyond private label: Amazon invites brand exclusives  
 Private label leader Trader Joe's walks away from delivery

## What's Next?

Beyond value: leveraging store brands to meet more diverse shopper needs  
 Brandless strips away brand comparisons in favor of attribute-based shopping  
 Figure 14: Attribute perceptions of Brandless cookies vs cookie category, 2018-19

## The Consumer – What You Need to Know

Most food and beverage shopping still happens in-store  
 Online shoppers less likely to be motivated by price  
 Most frequent online shoppers least likely to purchase store brands  
 Online grocery shoppers a little more likely to stick with name brands  
 Online shoppers' positive views of store brands point to further gains  
 Online shoppers open to a range of store-brand concepts and tactics

## Online Food and Beverage Shopping Overview

Most food and beverage shopping still happens in-store  
 Figure 15: Approach to food and beverage shopping, December 2018  
 Younger adults more likely to shop for food and beverages online  
 Figure 16: Approach to food and beverage shopping, by age, December 2018  
 Nearly half of in-store shoppers express interest in online shopping  
 Figure 17: Interest in online food and beverage shopping among in-store shoppers, December 2018  
 Food shoppers motivated by a wide range of priorities  
 Figure 18: Food shopping priorities, December 2018  
 Online shoppers less likely to be motivated by price  
 Figure 19: Food shopping priorities, by shopping approach, December 2018  
 Smart phones increasingly dominant in online grocery shopping

**BUY THIS  
 REPORT NOW**

**VISIT:** [store.mintel.com](http://store.mintel.com)  
**CALL:** EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094  
 Americas +1 (312) 943 5250 | China +86 (21) 6032 7300  
 APAC +61 (0) 2 8284 8100 |  
**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)

# Impact of Private Label in the Online Food and Drink Market - US - February 2019

Report Price: £3254.83 | \$4395.00 | €3662.99

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 20: Devices used for online food and beverage shopping, December 2018

## Private Label Purchase by Category

Most frequent online shoppers least likely to purchase store brands

Figure 21: Purchase of private label by category, by shopping approach, December 2018

Younger shoppers more inclined to purchase store brands overall

Figure 22: Purchase of private label by category, by age, December 2018

## Private Label Purchase Locations

Walmart's strength in private label in-store extends to online

Figure 23: Online retailers for private label purchasing, December 2018

Traditional supermarkets still hold the edge in-store

Figure 24: In-store retailers for private label purchasing, December 2018

## Retailer Perceptions (Correspondence Analysis)

Methodology

Retailers bring distinctly different perceptions to their private labels

Figure 25: Correspondence analysis – Retailer perceptions, December 2018

Figure 26: Retailer perceptions, December 2018

## Private Label Shopping Behaviors – Online vs In-store

Online grocery shoppers a little more likely to stick with name brands

Figure 27: Store brand shopping behaviors in-store vs online, December 2018

Younger online shoppers' brand preferences less established

Figure 28: Store brand shopping behaviors online, by age, December 2018

Figure 29: Store brand shopping behaviors in-store, by age, December 2018

## Private Label Shopping Attitudes

Online shoppers' positive views of store brands point to further gains

Sampling could be a key tactic both online and in-store

Figure 30: Attitudes toward store brands, by shopping approach, December 2018

## Factors to Encourage Private Label Purchase

Online shoppers open to a range of store-brand concepts and tactics

Distinctive store brands could motivate more online grocery shopping

Figure 31: Factors to encourage private label purchase, by shopping approach, December 2018

## Appendix – Data Sources and Abbreviations

Data sources

Consumer survey data

Abbreviations and terms

Abbreviations

Terms

**BUY THIS  
REPORT NOW**

**VISIT:** [store.mintel.com](http://store.mintel.com)

**CALL:** EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)