“Improvements made to the quality and varieties of store brand foods have not gone unnoticed by consumers. However, there is opportunity to increase category participation among older consumers, and to introduce more premium product lines featuring organic, non-GMO, and/or vegetarian products which consumers feel are lacking in the current market.”

Amanda Topper, Food Analyst

This report looks at the following areas:

- Are shoppers’ perceptions of store brands improving?
- Where are key areas to grow the category?
- How can retailers boost purchase among older shoppers?

The quality, variety, and appearance of private label foods continue to improve and consumers are taking note. Shoppers have generally positive perceptions of these products, and some view them as even more innovative than name brands. Despite shifting perceptions, some consumers, especially older consumers, still perceive private label foods as generic or inconsistent in quality. Looking ahead, category growth will rely on expanding product lines with more premium options, and reaching older consumers who tend to purchase fewer private label foods.

Mintel here provides a comprehensive analysis of the following factors that have the greatest potential to impact the category’s performance:

- The most influential factors when shoppers buy private label food products
- Areas of improvement that can be made to private label food products
- Frequency of private label food purchases and top factors consumers consider when making a purchase
- The most important packaging factors that do and could influence consumers to purchase more private label food products
- Consumer attitudes and behaviors toward private label food products, including purchase preferences, perceptions of product quality, ingredients, and overall trust

Definition


Mintel uses the following definition when discussing private label products:

According to the PLMA (Private Label Manufacturers Association), private label products encompass all merchandise sold under a retail store’s private label. That label can be the store’s own name or a name created exclusively by that store.

Excluded from this report is discussion of private label beverages or private label market size and sales data. This information is covered in Mintel’s Attitudes toward Private label—US, November 2014 report.

DID YOU KNOW?

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

Table of Contents

Scope and Themes
What you need to know
Definition
Data sources
Consumer survey data
Abbreviations and terms
Abbreviations

Executive Summary
The consumer
Nearly all shoppers buy store brand foods
Figure 1: Percentage of store brand foods purchased, November 2014

Value, product origin most influential product features
Figure 2: Influential packaging features, top five, November 2014

Price, quality, and ingredients similar to name brand most important
Figure 3: Factors considered when purchasing store brand food products, by gender, top five, November 2014

More diverse store brand purchases post-recession
Figure 4: Behaviors related to store brand food products, by percentage of store brand foods purchased, top five, November 2014

Establishing trust vital to store brand food purchases
Figure 5: Attitudes toward store brand food products – Any agree, top five, November 2014

What we think

Issues and Insights
Are shoppers’ perceptions of store brands improving?
The facts
The implications
Where are key areas to grow the category?
The facts
The implications
How can retailers boost purchase among older shoppers?
The facts
The implications

Trend Application
Trend: Patriot Games
Trend: Without a Care
Trend: Prove It

Innovations and Innovators

Figure 6: Percentage of private label food product launches within top 10 food categories, 2009-14*

BUY THIS REPORT NOW

VISIT: store.mintel.com
CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100
EMAIL: reports@mintel.com

reports.mintel.com © 2015 Mintel Group Ltd. All Rights Reserved. Confidential to Mintel.

Percentage of Store Brand Foods Purchased

Key points
- Nearly all shoppers buy store brand foods
  - Figure 9: Percentage of store brand foods purchased, November 2014
- Youngest generation highest store brand food purchasers
  - Figure 10: Percentage of store brand foods purchased, by generations, November 2014
- Opportunity to reach mid-tier households
  - Figure 11: Percentage of store brand foods purchased, by household income, November 2014

Attributes Associated with Store Brand Food Packaging

Key points
- Positive perceptions of Great Value brand
  - Figure 12: Attributes associated with store brand food packaging, November 2014
- Consumers identify store brands based on simplicity, lack of promotion
- Room for taste, packaging, promotion improvement

Influential Packaging Features

Key points
- Value, product origin most influential
  - Figure 13: Influential packaging features, by age, November 2014
- Name brand similarities most important for increasing purchase
  - Figure 14: Influential packaging features, by percentage of store brand foods purchased, November 2014

Factors Considered When Purchasing Store Brand Food Products

Key points
- Price, quality, and ingredients similar to name brand most important
  - Figure 15: Factors considered when purchasing store brand food products, by generations, November 2014
  - Figure 16: Factors considered when purchasing store brand food products, by gender, November 2014
  - Figure 17: Factors considered when purchasing store brand food products, by presence of children in household, November 2014
- Store rewards important to high purchasers
  - Figure 18: Factors considered when purchasing store brand food products, by percentage of store brand foods purchased, November 2014

Behaviors Related to Store Brand Food Products

Key points
- More diverse store brand purchases post-recession
  - Figure 19: Behaviors related to store brand food products, by age, November 2014
Figure 20: Behaviors related to store brand food products, by presence of children in household, November 2014

Word of mouth important to both high and low purchasers
Figure 21: Behaviors related to store brand food products, by percentage of store brand foods purchased, November 2014

Attitudes toward Store Brand Food Products

Key points
Establishing trust vital to store brand food purchases
Figure 22: Attitudes toward store brand food products – Any agree, by generations, November 2014
Figure 23: Attitudes toward store brand food products – Any agree, by household income, November 2014
Figure 24: Attitudes toward store brand food products – Any agree, by percentage of store brand foods purchased, November 2014

Race and Hispanic Origin

Key points
Hispanics more likely to be high purchasers
Figure 25: Percentage of store brand foods purchased, by race/Hispanic origin, November 2014
Figure 26: Factors considered when purchasing store brand food products, by race and Hispanic origin, November 2014

Hispanics buying more store brands, loyal to certain retailers
Figure 27: Behaviors related to store brand food products, by race and Hispanic origin, November 2014
Figure 28: Attitudes toward store brand food products – Any agree, by race/Hispanic origin, November 2014

Consumer Segmentation

Figure 29: Private label food buyer clusters, November, 2014

Group one: Private Label Lovers
Group two: Occasional Purchasers
Group three: Health-Conscious Shoppers

Cluster characteristic tables
Figure 30: Target clusters, November 2014
Figure 31: Influential packaging features, by target clusters, November 2014
Figure 32: Factors considered when purchasing store brand food products, by target clusters, November 2014
Figure 33: Behaviors related to store brand food products, by target clusters, November 2014
Figure 34: Attitudes toward store brand food products – Any agree, by target clusters, November 2014
Figure 35: Percentage of store brand foods purchased, by target clusters, November 2014

Cluster demographic table
Figure 36: Target clusters, by demographics, November 2014

Cluster methodology

Appendix — Other Useful Consumer Tables

Percentage of store brand foods purchased
Figure 37: Percentage of store brand foods purchased, by gender, November 2014
Figure 38: Percentage of store brand foods purchased, by age, November 2014
Figure 39: Percentage of store brand foods purchased, by region, November 2014
Figure 40: Percentage of store brand foods purchased, by presence of children in household, November 2014

Influential packaging features
Figure 42: Influential packaging features, by presence of children in household, November 2014
Figure 43: Influential packaging features, by race and Hispanic origin, November 2014

Factors considered when purchasing store brand food products
Figure 44: Factors considered when purchasing store brand food products, by age, November 2014
Figure 45: Factors considered when purchasing store brand food products, by region, November 2014
Figure 46: Factors considered when purchasing store brand food products, by household income, November 2014

Behaviors related to store brand food products
Figure 47: Behaviors related to store brand food products, by gender, November 2014
Figure 48: Behaviors related to store brand food products, by generations, November 2014
Figure 49: Behaviors related to store brand food products, by region, November 2014
Figure 50: Behaviors related to store brand food products, by household income, November 2014

Attitudes toward store brand food products
Figure 51: Attitudes toward store brand food products – Any agree, by gender, November 2014
Figure 52: Attitudes toward store brand food products – Any agree, by age, November 2014
Figure 53: Attitudes toward store brand food products – Any agree, by region, November 2014
Figure 54: Attitudes toward store brand food products – Any agree, by presence of children in household, November 2014

Appendix — Trade Associations
Food Marketing Institute (FMI)
Grocery Manufacturers Association (GMA)
Private Label Manufacturers Association (PLMA)