



Exploring Consumer Attitudes to Private Label

April 7, 2025

Agenda

- Private label basics
- The consumer perspective
- Execution in action
- Tips and tricks

Pepsi 69^c Plus Dep.
 SAVE 60c
 6-Pak 12 oz.

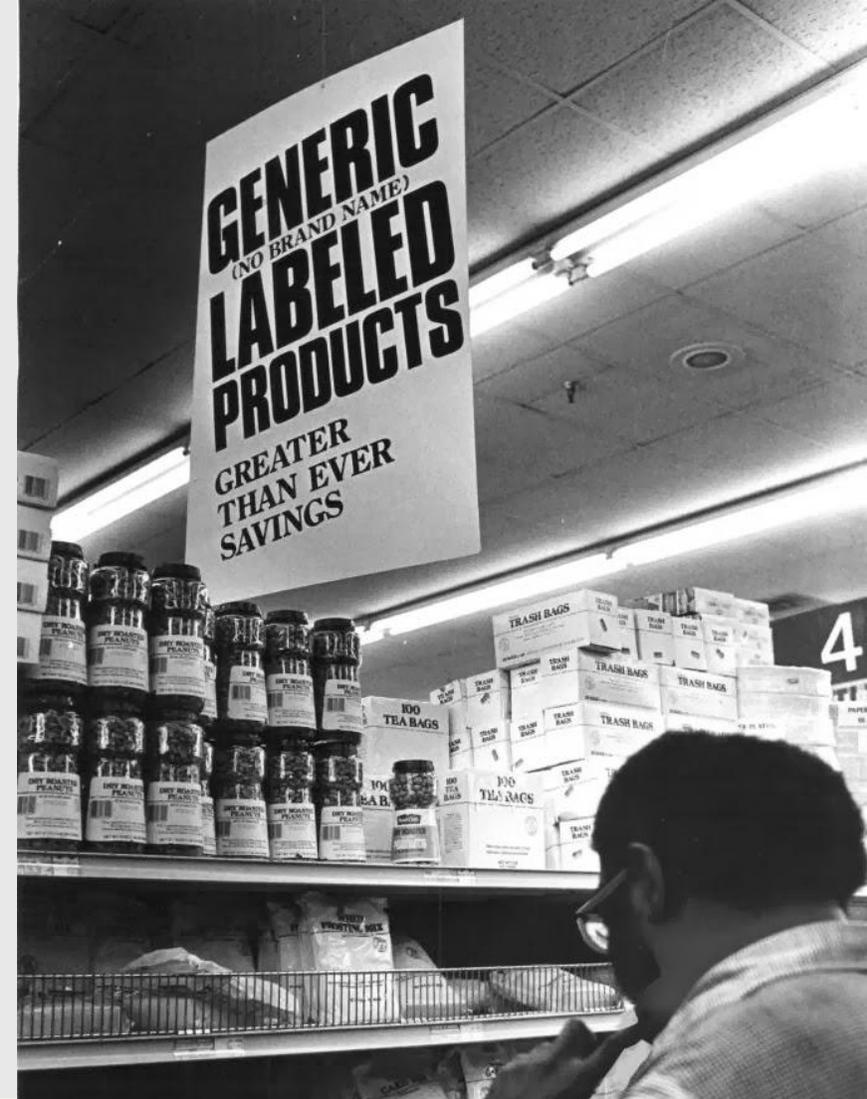
Generic Brand Products

Albertsons

GENERIC BRAND PRODUCTS:
 Generic Brand Products are a line of items developed to give you a low cost on basics that you use every day. Minimal promotion and no-frills labelling enable us to offer goods to you at a price much lower than you would normally pay.

NO-FRILLS LABELLING:
 The container displays only the generic name of the product such as Peas, Cream Style Corn, or Mayonnaise. You are not paying for a national or private label brand name. Nor does the price of the product contain an allowance for advertising or promotion. You pay only for what you pick up off the shelf.

Milk \$1.49
 \$1.59^c
 4.25
 8.49



Private Label Fundamentals

To this....

Lauren Michelle
14m · 🌐

Did anyone else grab all the lemon decor?!
👉👈
If not, there's still a lot on the shelves...

Wanted to brighten up my black/grey/white kitchen for spring, so I grabbed everything in pic at once, then tried to resist but finally had to go back and get the Dutch oven... I love it so pretty! 🍋

N... See more



👍❤️ 14

👍 Like 💬 Comment 📧 Send 🔄 Share

Danielle Taulbee
11h · 🌐

Forgetting that we ran out of pizza sauce, Aldi's jalapeño dough turned into the best pickle pizza Ever! 🥒🍕👍



👍❤️ 43 9 comments

👍 Like 💬 Comment 📧 Send 🔄 Share

LaDonna Miller
12h · 🌐

I don't remember ever having Kringles in the Spring. I was a little shocked when I saw them...



Marlene Robnett
1h · 🌐

If you haven't yet tried the chopped kit salads your definitely missing out . I added the gouda cheese and a few salami I'm telling you 10 out of 10 !! The everything bagel ranch dressing and bagel toast bites just set it over the top .



👍❤️ 96 10 comments 4 shares

👍 Like 💬 Comment 📧 Send 🔄 Share

View more comments

Linda Wescott LiBassi
I've never seen that salami? What section? I'm in Jersey...

Private label truly is the big brand

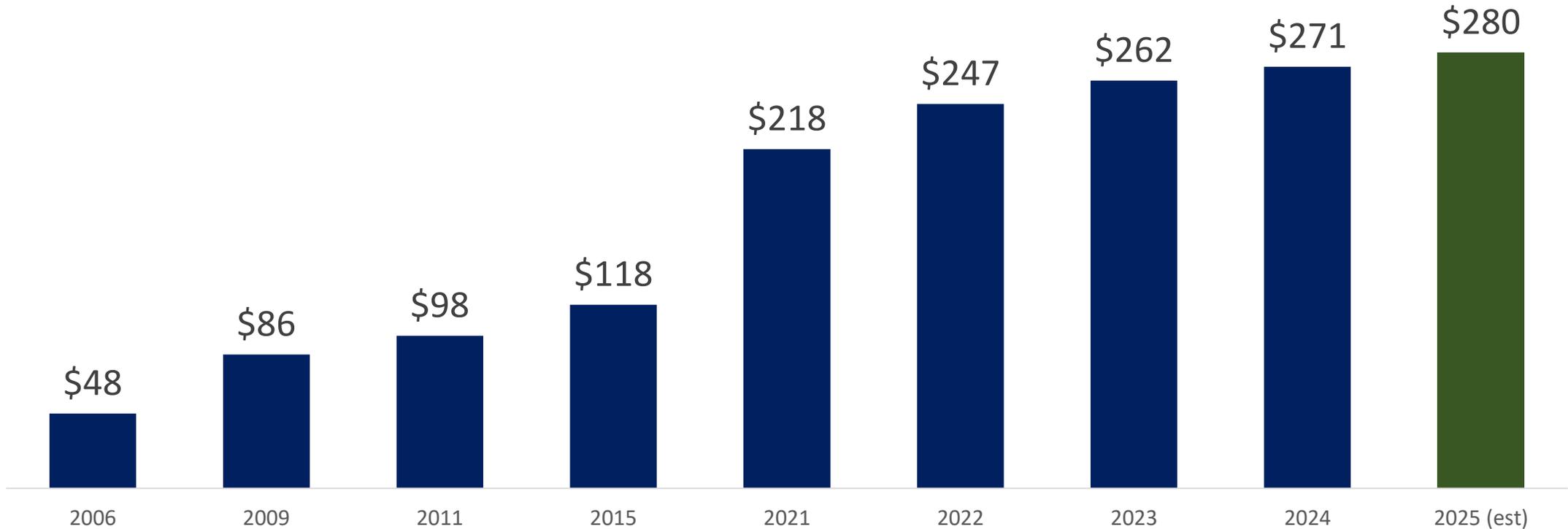
| 2024 Sales Dashboard | | | |
|----------------------|---------------------|---------------------|----------|
| Dollar Sales | FY 2024 | FY 2023 | % Change |
| All Channels | \$1,304,361,835,302 | \$1,285,015,788,169 | 1.5% |
| Store Brands | \$270,580,954,204 | \$261,587,403,216 | 3.9% |
| National Brands | \$1,033,780,881,098 | \$1,023,428,384,953 | 1.0% |

| Unit Sales | FY 2024 | FY 2023 | % Change |
|-----------------|-----------------|-----------------|----------|
| All Channels | 291,294,007,398 | 291,147,983,054 | 0.1% |
| Store Brands | 67,362,282,262 | 65,844,817,282 | 2.3% |
| National Brands | 223,931,725,136 | 225,303,165,772 | -0.6% |

Note: Data provided for PLMA by Circana Unify+ for the 12 months ending December 29, 2024

Private label has come a long way

Total US Private Label Sales Over Time
(in Billions)



Private label is well established across departments, but key growth areas exist

2024 Store Brand Department Sales: Food & Non-Food

Dollar Sales

| Department | Store Brands % Change vs 2023 | Store Brands Full Year Sales |
|---------------------|-------------------------------|------------------------------|
| Refrigerated | 7.5% | \$57.7bn |
| General Food | 4.3% | \$51.7bn |
| General Merchandise | 0.9% | \$25.5bn |
| Frozen | 3.3% | \$21.6bn |
| Health | 1.0% | \$18.5bn |
| Beverages | 4.0% | \$14.4bn |
| Pet Care | 1.7% | \$5.3bn |
| Beauty | 3.7% | \$3.8bn |
| Home Care | 3.4% | \$3.3bn |
| Liquor | 24.2% | \$56.7m |

Why do retailers invest in private brands

Differentiation

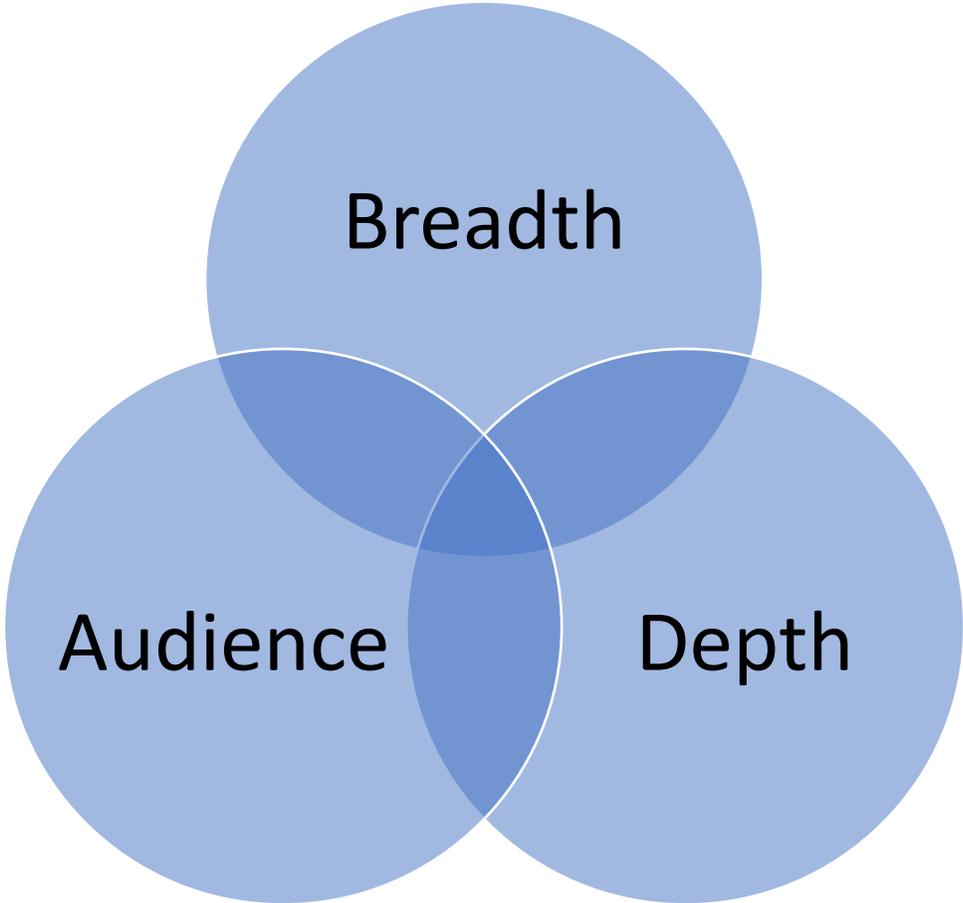
Loyalty

Profitability

Buzz

Reach

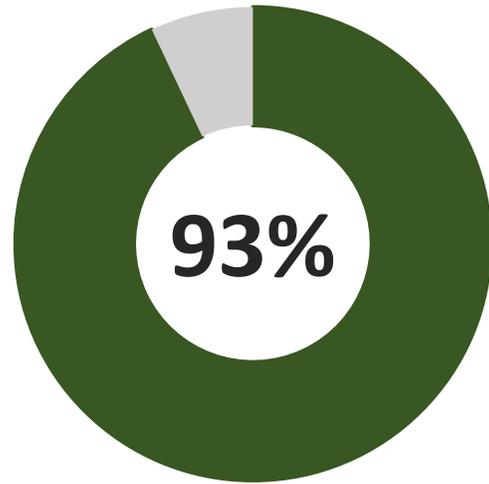
The fundamentals of retailer's strategies



A woman with reddish-brown hair tied back in a bun is shown in profile, looking at a product on a grocery store shelf. She is wearing a light-colored, textured cardigan over a blue and white striped collared shirt. She is holding a dark jar in her left hand and reaching towards the shelf with her right hand. The background is a blurred grocery store aisle with other shelves and products. The text "The Consumer Perspective" is overlaid in white on the image.

The Consumer Perspective

Everybody (almost) buys private label products in multiple categories



of US consumers have purchased private label products in at least one category in the last 3 months

5.7

Average number of categories that the US consumer purchased private label products in the last 3 months



Consumers stated behavior about private label purchasing is slightly complicated

Preference for Private Label



Latino consumers, consumers under 45, HH with kids, and WIC/SNAP consumers are significantly more likely to lean into private label.

Private label is strong across all departments in the store

Top 10 Private Brand Categories Purchased in Past 3 Months
(% of Gen Pop respondents)



- Latinos overindex on breakfast & cereal (42%), beverages (38%) – also alcohol, pet care, and baby care
- Black/AA consumers overindex on beverages

Consumers increase their private label portfolio of products as they age

Top Categories to Buy Private Label by Age

(at least 35% of gen pop shoppers in each age group)

- Bread and Bakery (42%)
- Breakfast & Cereal (40%)

Avg. Categories Purchased

4.9

Aged 18 – 34



- Bread & bakery (47%)
- Frozen foods (40%)
- Breakfast & cereal (39%)
- Dairy & eggs (38%)
- Canned goods & soup (36%)

Avg. Categories Purchased

5.8

Aged 35 – 54



- Canned goods (52%)
- Bread & bakery (49%)
- Dairy products (45%)
- Frozen foods (43%)
- Paper products (42%)

Avg. Categories Purchased

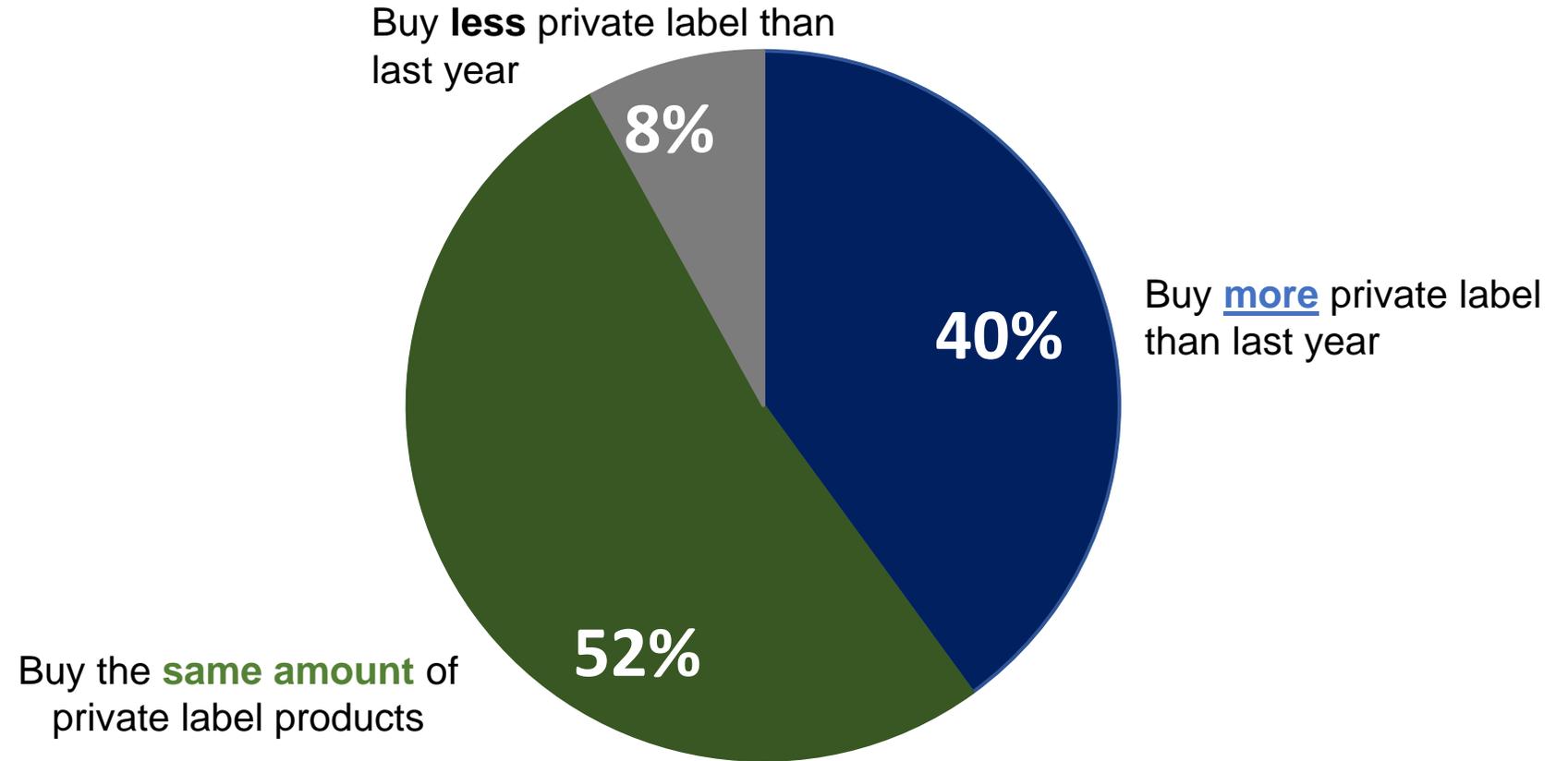
6.3

Aged 55+



Four of 10 US consumers are buying more private label products now versus a year ago

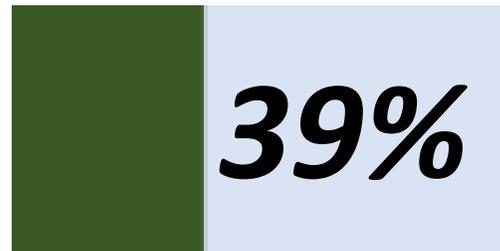
Private label purchase behavior this year
(% of respondents)



Consumers still plan to replace more national brands with private label next year



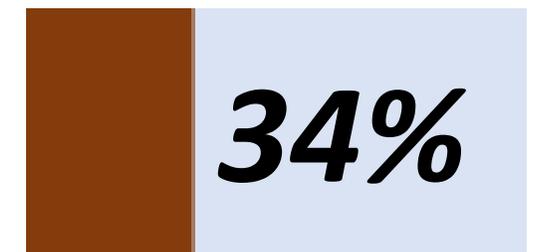
of consumers plan to replace national brands with private label next year



of consumers under 35 plan to replace national brands with private label next year



of consumers making \$100K+ plan to replace national brands with private label next year



of consumers using SNAP benefits plan to replace national brands with private label next year

Price and retailer trust drive consumer interest

66%

Of Gen Pop consumers believe private label provides a good value

62%

Of Gen Pop consumers trust their retailer so they trust their private label offerings

51%

Of Gen Pop consumers believe private label products are the same quality or better than national brands

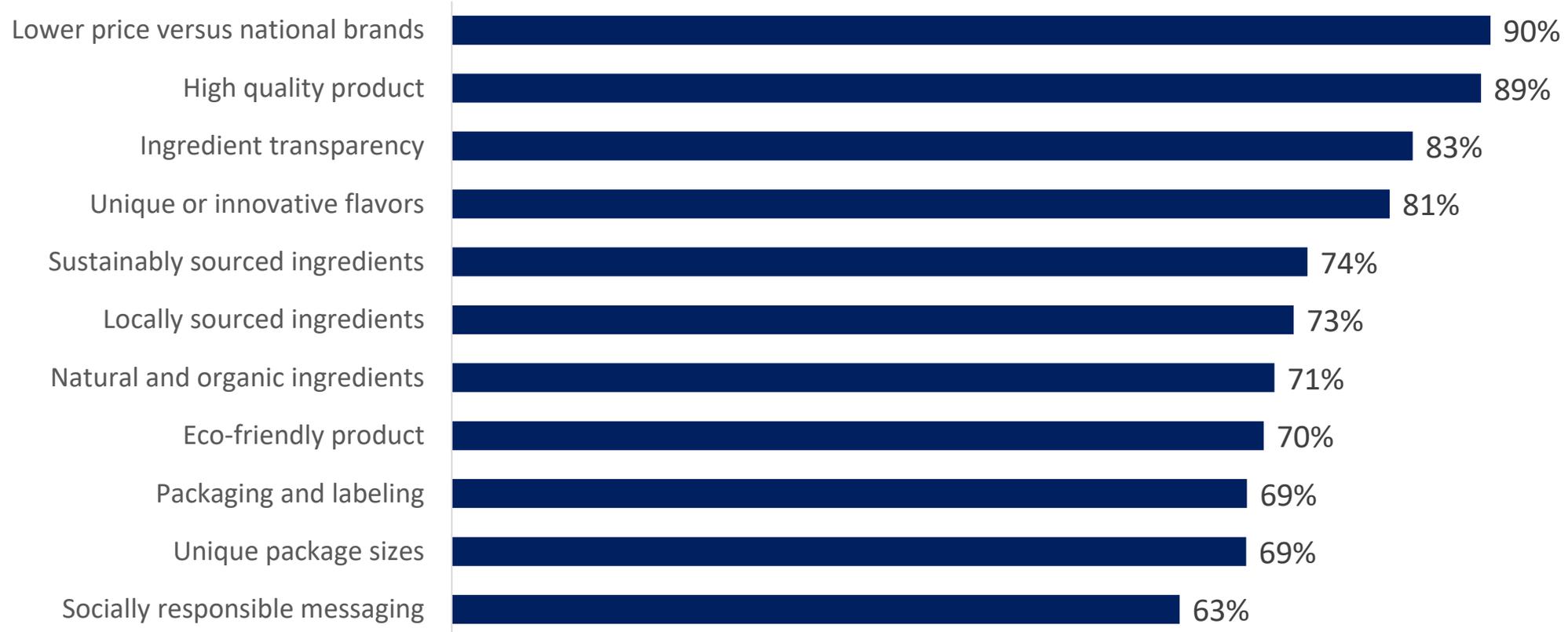
46%

Of Gen Pop consumers will pick one retailer over another because of private brands



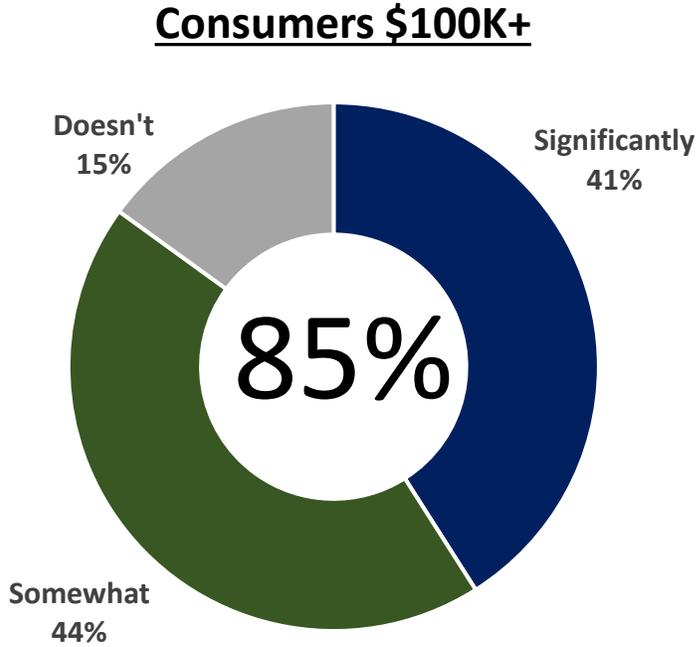
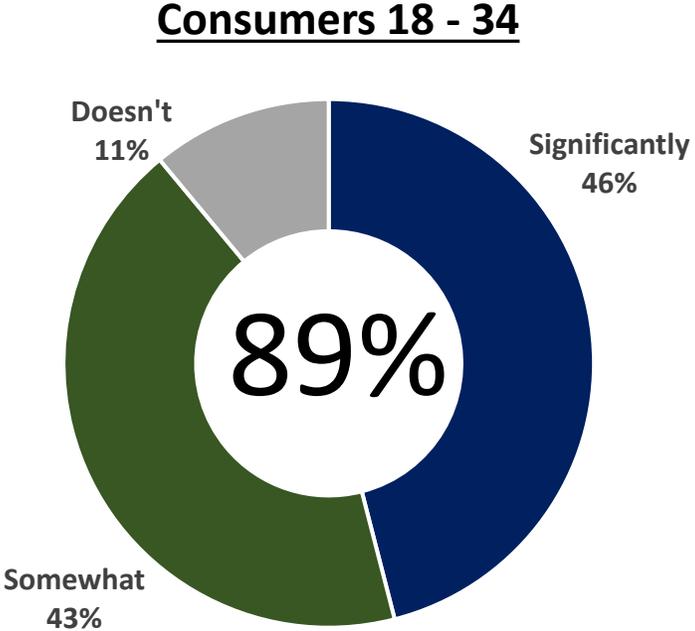
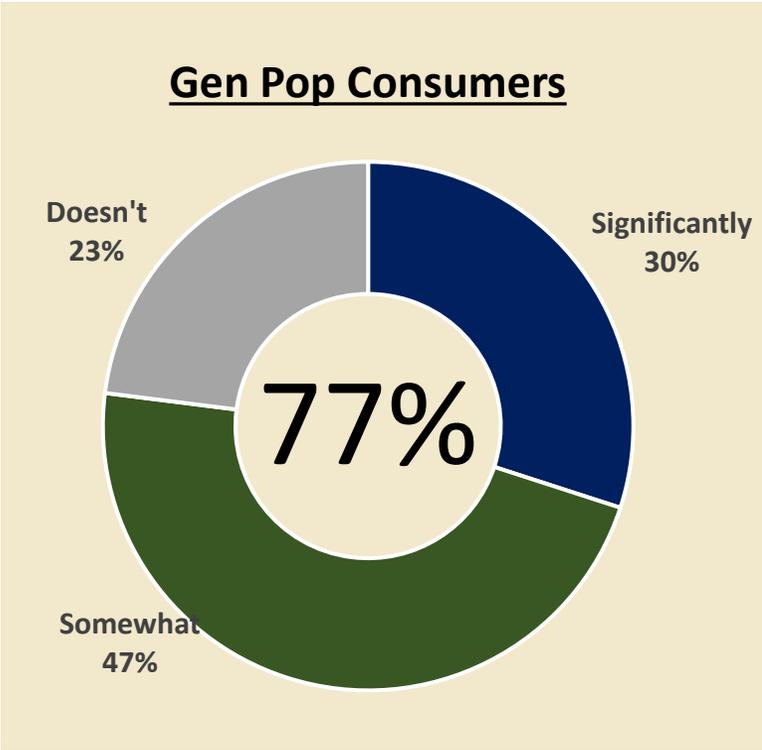
Price matters, but consumers expect much more from retailers' private label offering

Attribute importance in Private Brand Selection

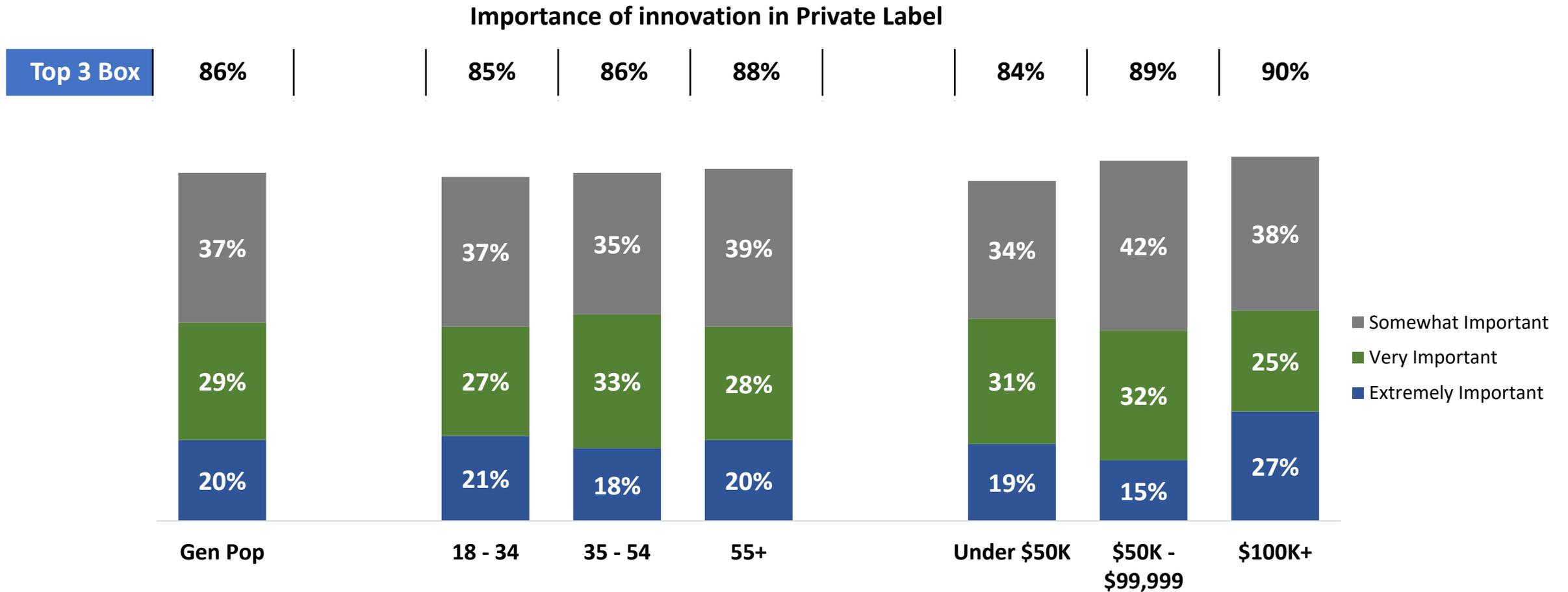


Consumers recognize that retailers use private label assortment to differentiate themselves

Availability of Unique Private Label Impacts My Choice of Retailer
(% of gen pop respondents that are influenced)



Innovation in private label is critically important





Execution at Shelf

Scale and reach can drive traffic and opportunity



equate



Great Value



Parent's Choice



MAINSTAYS



VIBRANT LIFE



Marketside



Recognize the diversity of your consumers



Reinforce your values



Flaunt it if you got it!

The screenshot displays the Amazon.com website with a focus on Whole Foods Market products. The main navigation bar includes the Amazon logo, the Whole Foods Market logo, and various menu options like 'Past Purchases', 'Repeat Items', 'Alexa Lists', 'Deals', 'Explore', 'Aisles', and 'Catering'. A SiteStripe overlay is present at the top, indicating that certain products are trending. Below the navigation, there are two main product sections: 'Wallet-happy breakfast solutions' and 'Salad kits for less'. The 'Wallet-happy breakfast solutions' section features five products, each with a price tag and a '+ Add to Cart' button. The 'Salad kits for less' section features five products, each with a price tag and a '+ Add to Cart' button. A large promotional banner for 'Unlimited grocery delivery for \$9.99' is visible, along with a 'SALE' badge and the text 'Save now on creamy, ripe Avocados'. A 'Deals for you' section is also visible at the bottom. The SiteStripe overlay is positioned over the right side of the page, showing a list of trending products and categories. The SiteStripe overlay includes a 'Discover' section with categories like Catering, Quick Meals, Dietary Preferences, Recipes, Floral & Bouquets, and Shop SNAP EBT. It also features a '365 by Whole Foods Market' section with categories like Featured, Pantry, Frozen Foods, Meat & Seafood, Produce, Snack Foods, and Personal Care & Beauty. A 'Trending' section is also present, showing 'Latest and Greatest' products. The SiteStripe overlay also includes a 'Get Link' button and a 'Hello, Diana Account & Lists & Orders' section. The SiteStripe overlay is positioned over the right side of the page, showing a list of trending products and categories. The SiteStripe overlay includes a 'Discover' section with categories like Catering, Quick Meals, Dietary Preferences, Recipes, Floral & Bouquets, and Shop SNAP EBT. It also features a '365 by Whole Foods Market' section with categories like Featured, Pantry, Frozen Foods, Meat & Seafood, Produce, Snack Foods, and Personal Care & Beauty. A 'Trending' section is also present, showing 'Latest and Greatest' products. The SiteStripe overlay also includes a 'Get Link' button and a 'Hello, Diana Account & Lists & Orders' section.

Lean into differentiating flavors or ingredients



Thing to keep in mind

- Value and price are connected but can provide different opportunities
- Know your customer and their consumer
- Most private brands are true brands
- Evaluate where you fit in the portfolio
- Invest in innovation and differentiation





For any questions, contact:



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PDG Insights was founded by a seasoned retail sales and strategy professional who recognized that small businesses, emerging brands, and non-profits often struggle to access affordable market research and consumer insights. Our mission is to provide these organizations with the same high-quality methodologies used by Fortune 500 companies, empowering them to make informed decisions and grow their businesses.

Connect on LinkedIn here:



US Diverse Consumer Pulse Study Methodology



Fielded quarterly

Sign up for a 2025 wave now – March, June, September, or December



Survey length

15 minutes



Online

Computer, mobile, or tablet



Sample

General Population - n=500

Latino Augment - n=500

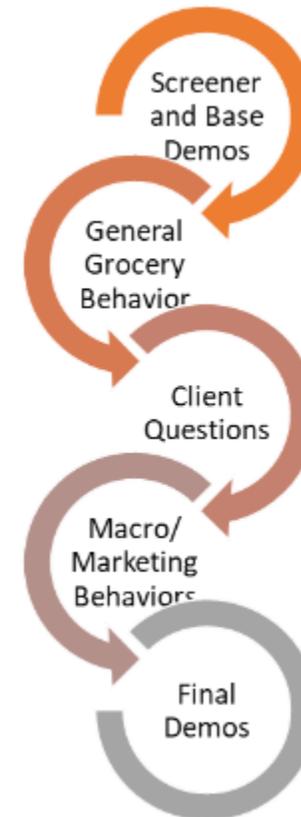
Black/AA Augment – n=250



Census-balanced:

Gender, Age, Income, and Region

How does this work?



- Age, gender, ethnicity, race
- Primary shopper definition

- Where shopping for groceries
- Definition of value
- Topical questions focused on grocery

15 to 20 CUSTOM questions tailored to one client or several non-competitive clients hoping for foundational insights on their category or brand.

- Financial health
- Concerns for the future
- Media representation

- Language
- Generation
- Additional demos