Exploring Consumer Attitudes to Private Label

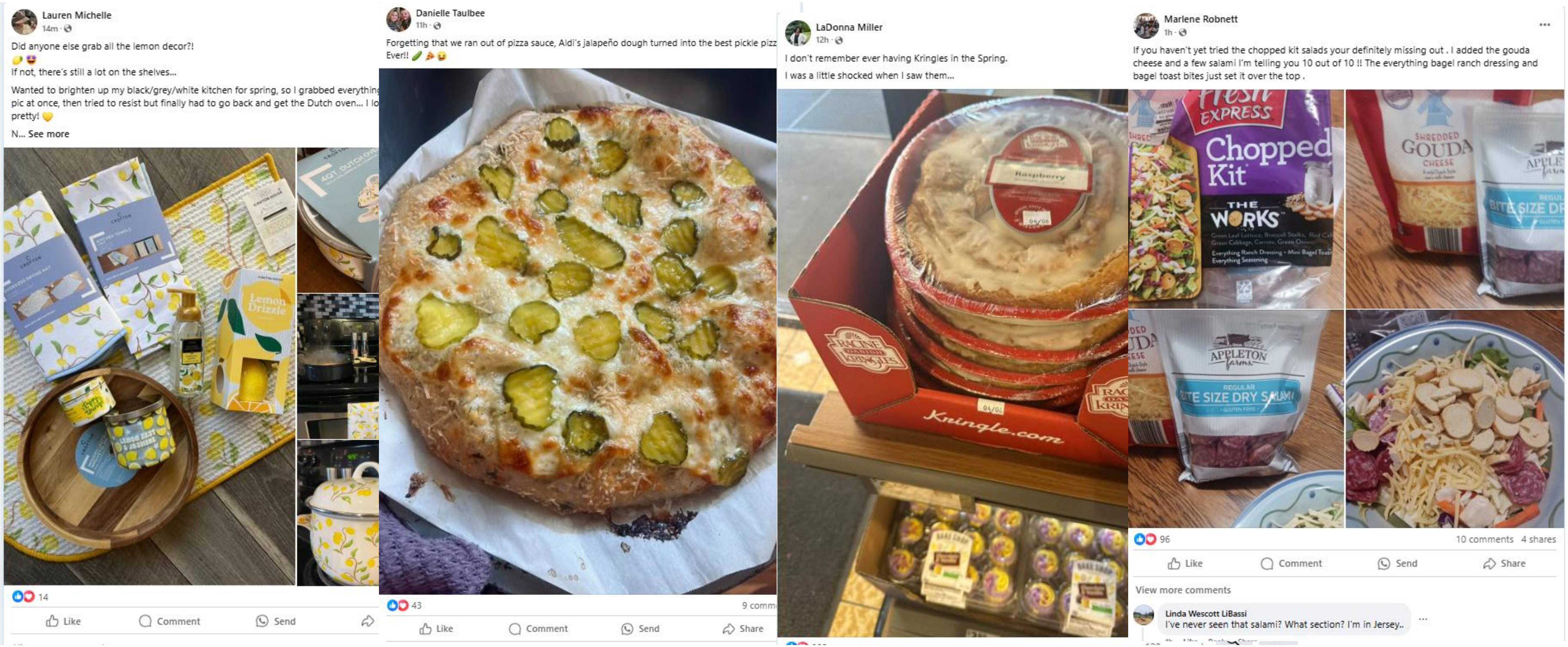
April 7, 2025

Agenda

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

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
pic at once, then tried to resist but finally had to go back and get the Dutch oven... I lo
pretty!
N... See more
Lemon Drizzle
14
Like
Comment
Send
Danielle Taulbee
11h
Forgetting that we ran out of pizza sauce, Aldi's jalapeño dough turned into the best pickle pizz
Ever!!
43
9 comm
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...
Raspberry
Racine Danish Kringles
Kringle.com
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 .
Fresh Express
Chopped Kit
The Works
Shredded Gouda Cheese
Appleton Farms
Regular
Bite Size Dry Salami
Gluten Free
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

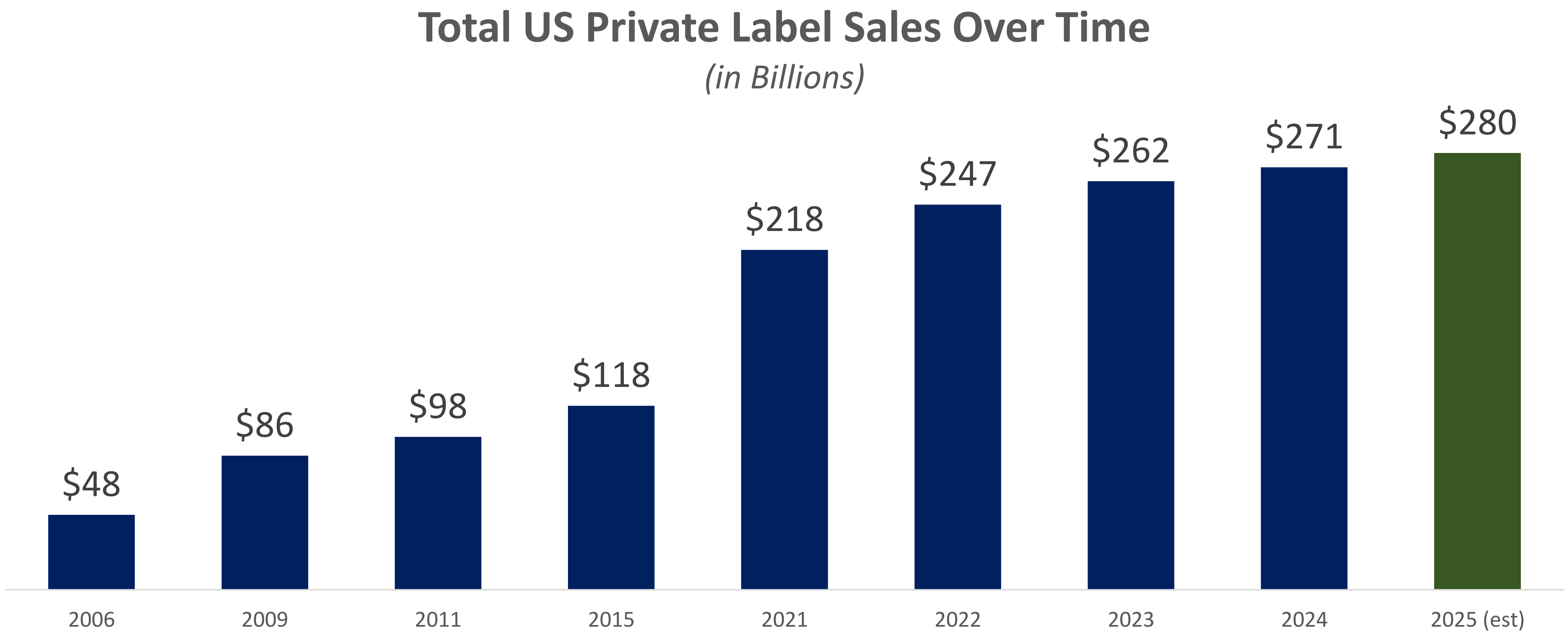
2024 Sales Dashboard

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



Sources: PLMA's 2025 Private Label Report, Circana
*2021 data and above restated for ALDI sales

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

Source: PLMA 2024 Private Label Report

Why do retailers invest in private brands

Differentiation

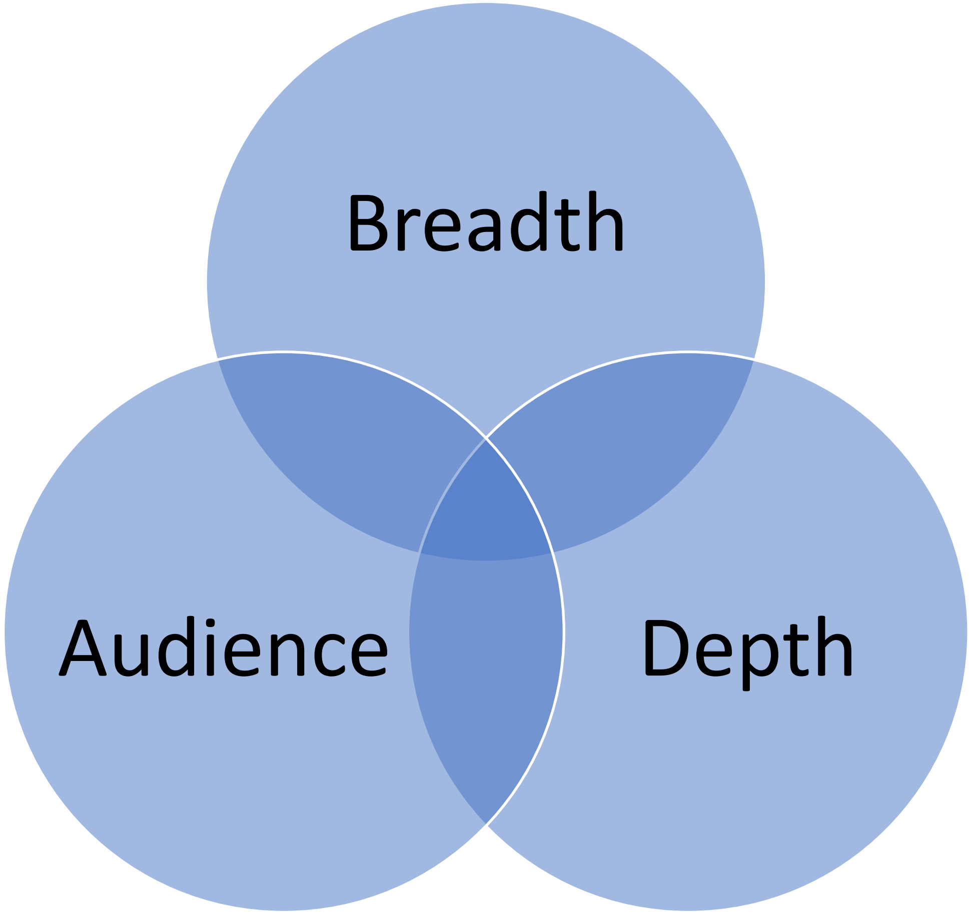
Loyalty

Profitability

Buzz

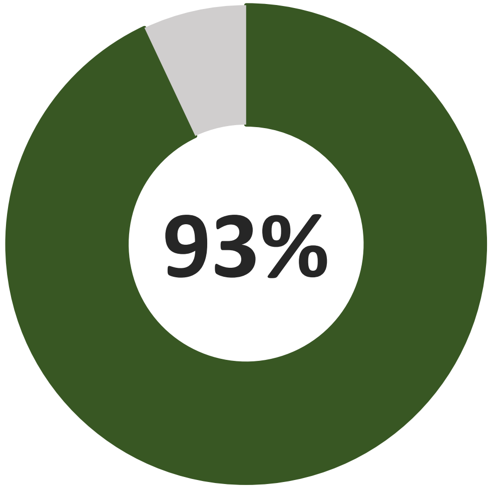
Reach

The fundamentals of retailer’s strategies



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

N=492 Gen Pop Consumers

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.

N=492 Gen Pop Consumers

Private label is strong across all departments in the store

Top 10 Private Brand Categories Purchased in Past 3 Months

(% of Gen Pop respondents)

Bread & Bakery

48%

Canned Goods

39%

Dairy Products

39%

Frozen Foods

37%

Breakfast Cereals

36%

Cookies & Snacks

34%

Spices

32%

Produce

31%

Beverages

30%

Paper Products

29%

Cleaning Supplies

29%

- 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%)
- Diary & 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%)

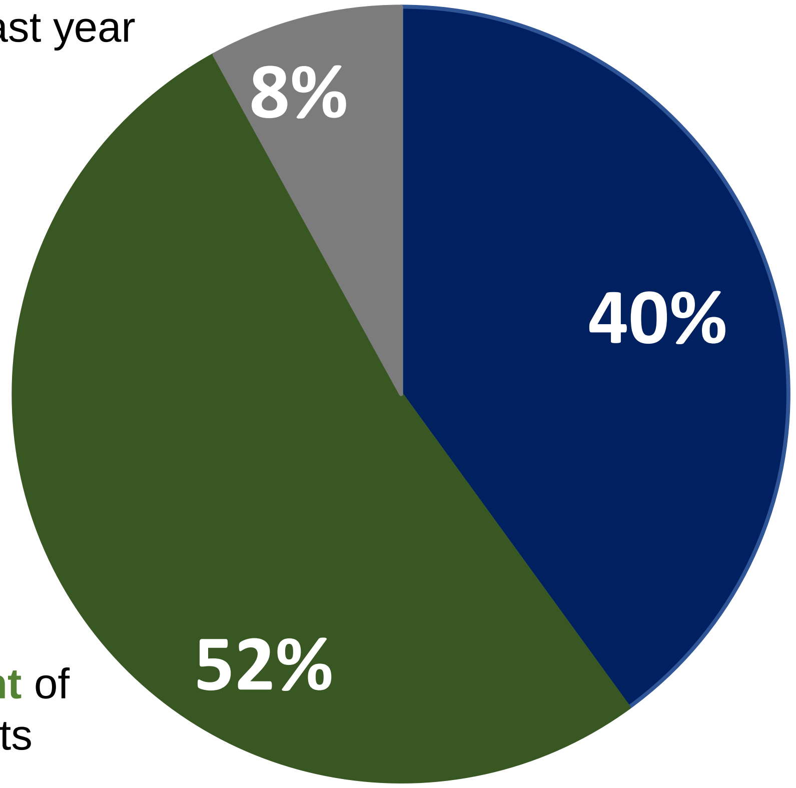
Avg. Categories Purchased
6.3

Aged 55+

N=492 Gen Pop Consumers

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

Private label purchase behavior this year
(% of respondents)



N=492 Gen Pop Consumers

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

24%

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

39%

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

29%

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

34%

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

N=492 Gen Pop Consumers

Price and retailer trust drive consumer interest

66% Of Gen Pop consumers believe private label provides a good value

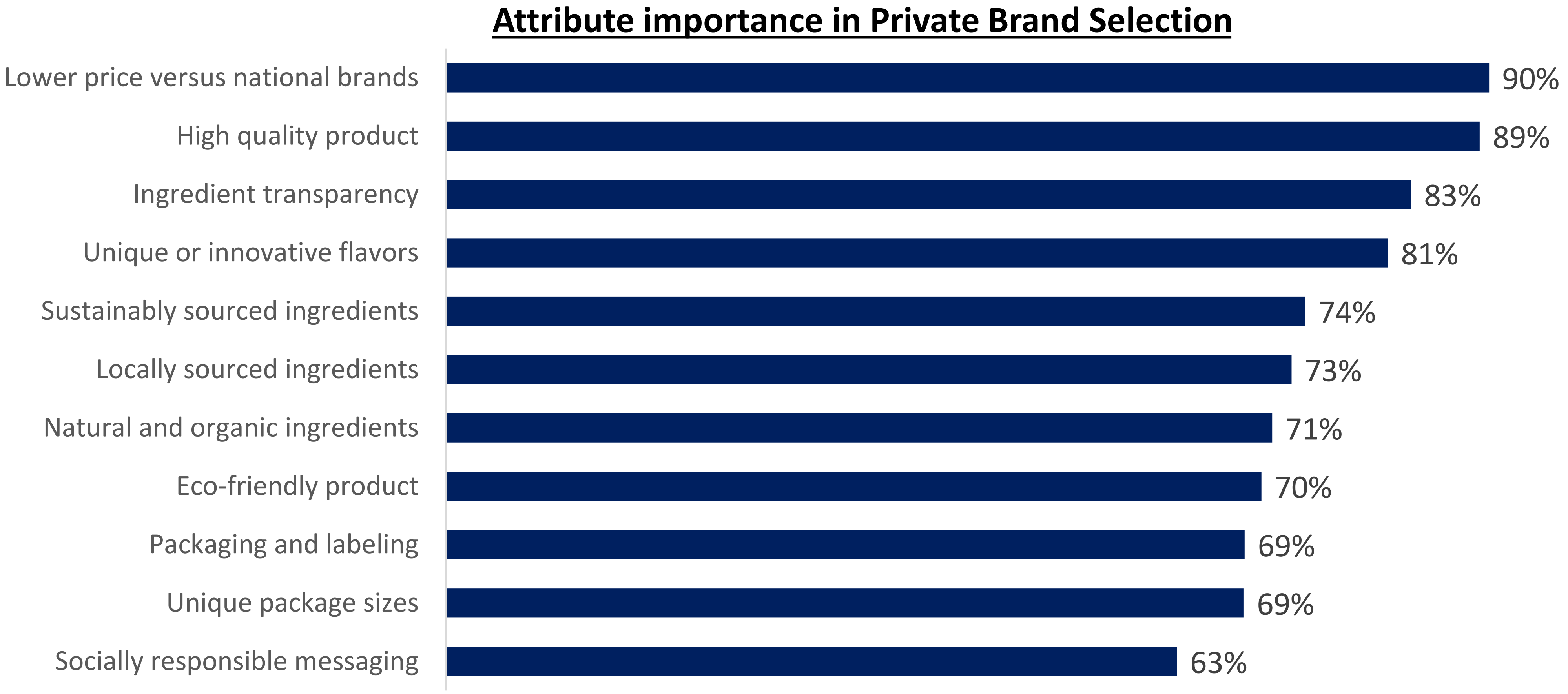
62% Of Gen Pop consumers trust their retailer so they trust their private label offerings

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

N=492 Gen Pop Consumers

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

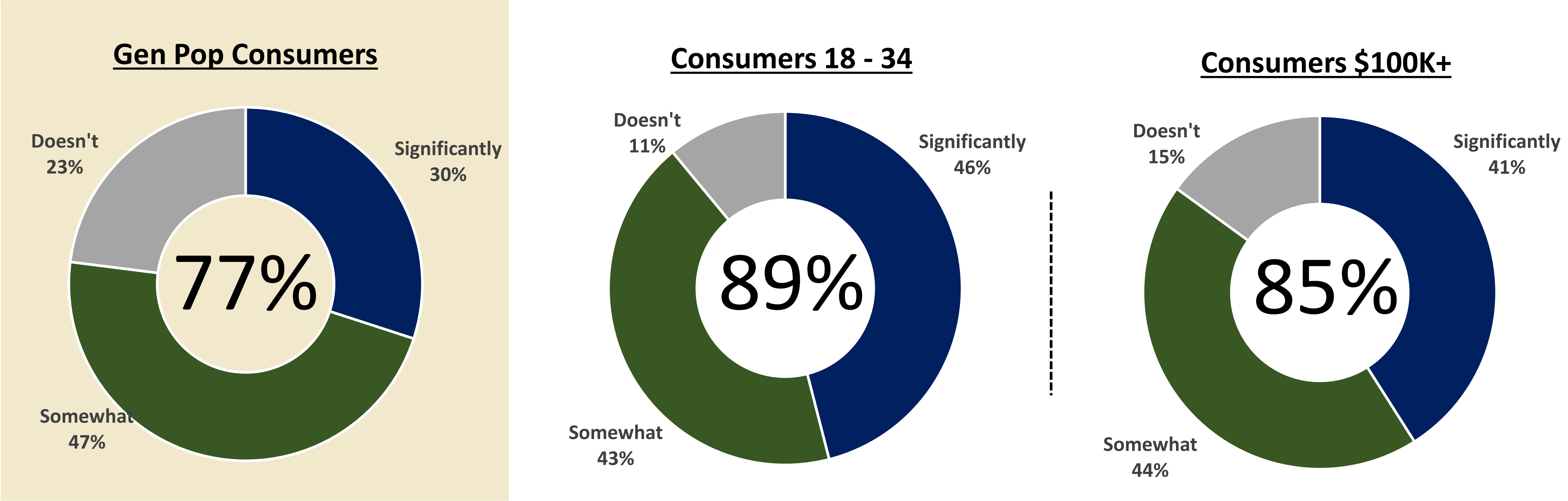


N=492 Gen Pop Consumers

Consumers recognize that retailers use private label assortment to differentiate themselves

Availability of Unique Private Label Impacts My Choice of Retailer

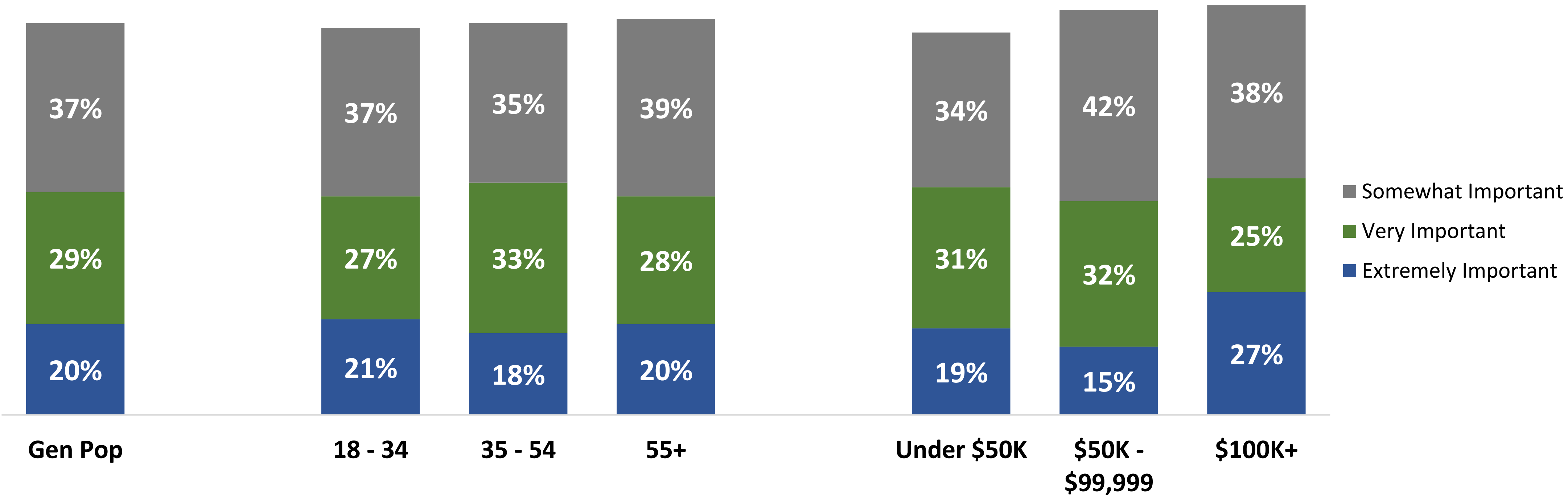
(% of gen pop respondents that are influenced)



Innovation in private label is critically important

Importance of innovation in Private Label

Top 3 Box	Gen Pop	18 - 34	35 - 54	55+	Under $50K	$50K - $99,999	$100K+
	86%	85%	86%	88%	84%	89%	90%



Execution at Shelf

Scale and reach can drive traffic and opportunity

equate

Great Value

Parent's Choice

MAINSTAYS

VIBRANT LIFE

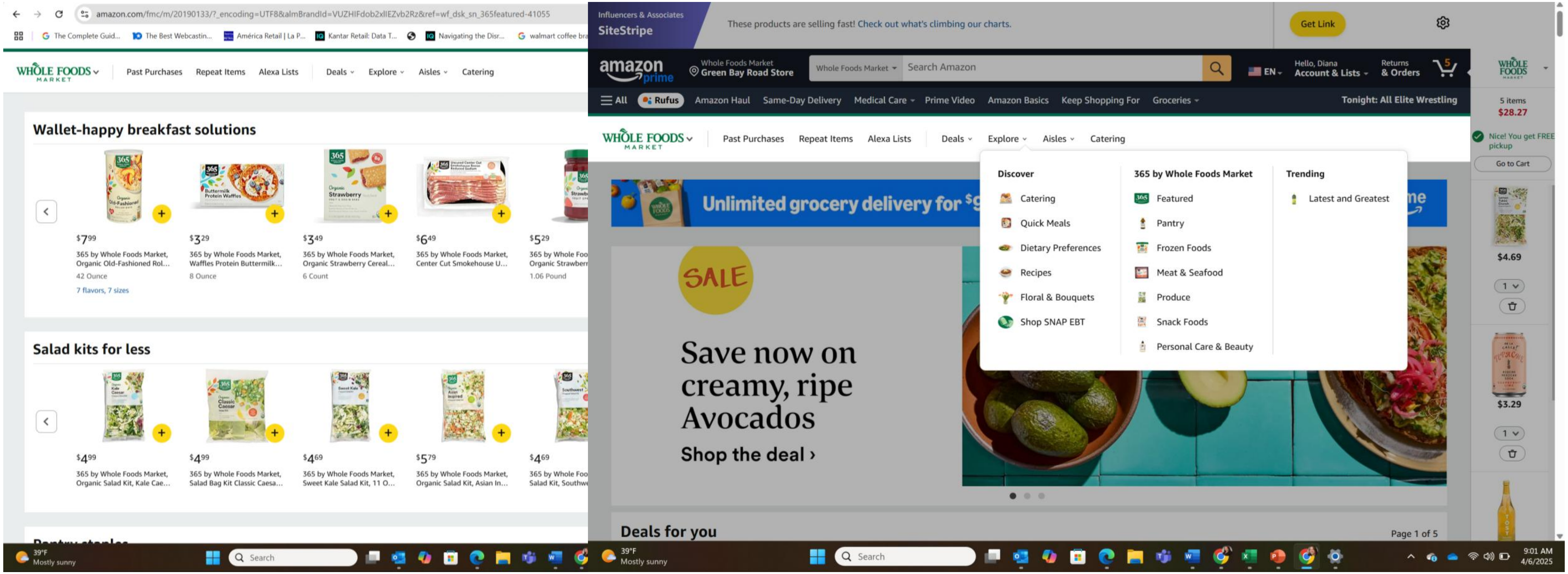
Marketside

Recognize the diversity of your consumers

Reinforce your values

PDG Insights
Partnering to Drive Growth

Flaunt it if you got it!



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

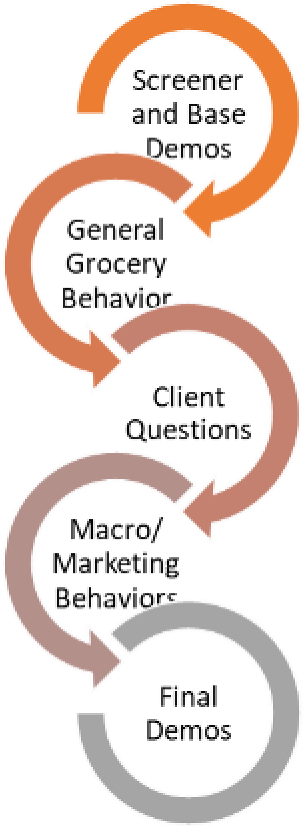
Latino Augment - n=500

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 clients 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