SHOPPING PRIVATE LABEL BRANDS – US – 2024

Discerning shoppers want store brands to deliver a comprehensive package – quality, unique ingredients or design, and competitive pricing.


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Shopping Private Label Brands – US – 2024

This report looks at the following areas:

- Impact of macroeconomic factors on private label shopping
- How financial status, generation and parental status impact category engagement
- Shopper perceptions of store brand vs name brand
- Purchase incidence of private label by category, with consumer expectations for future purchases
- Consumer comfort with store brand purchases by retailer
- Purchase rationales that lead shoppers to choose store brands over name brands
- Factors that would prevent consumers from buying private label products
- Attitudes and behaviors toward shopping for private label with considerations of price, quality, and emotional impact

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Discerning shoppers want store brands to deliver a comprehensive package – quality, unique ingredients or design, and competitive pricing.

Overview

Shopping private label brands is something that most adults currently do or would feel comfortable doing. Private label products are widely perceived for being good value for the price, which likely contributes to consumers feeling like they are a smart shopper when buying these products. But shopper loyalty to private label brands is no longer linked solely to price. True value is more than just being the lowest price on the shelf. Discerning shoppers want the whole package – high quality, unique ingredients or design, competitive pricing – from a retailer that reflects their personal values or lifestyle. Retailers are leveraging private label to garner market share across categories with a unified brand presence that can build loyalty. Private label brands are increasingly innovating to meet consumers' expectations by offering unique and diverse products that cater to a variety of tastes and interests, offering both a sense of novelty and value. Such innovative efforts are being rewarded with increased engagement now (68% are shopping private label brands more this year) and in the coming years (59% plan to purchase more in the future). Moving forward, industry players can continue to advance store brand market share by leaning into the emotional high shoppers experience when getting a good deal or finding a share-worthy dupe.

Report Content

EXECUTIVE SUMMARY

- What you need to know
- Market predictions
- What consumers want & why

Opportunities

- Store brands aren't guaranteed success
- Opportunities for store brand marketing
- Tiered store brand strategy helps retailers meet varied consumer needs

MARKET DYNAMICS

Market context

Market drivers

- The US expanded by 3% in Q2 2024

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- Consumer fast factsFast facts

- Consumer fast facts (cont.)

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INNOVATION AND MARKETING STRATEGIES

Launch activity and innovation

- Private label themes evident in innovation: elevated, convenient, and collaborative
- Walmart's bettergoods aims to make culinary experiences accessible
- Petco expands its private label lifestyle brand into home goods
- Walgreens launches premium private label skin care
- Kroger debuts convenient premium private label meal solutions
- 7-11 expands private label on-the-go meals and beverages
- Circle K launches private label wine aimed at shoppers looking for quality and convenience
- JCPenney collab with celebrity stylist to bring fashion and luxury to store brands
- Dillard's collabs with fitness expert for athleisure apparel

Marketing and advertising

- Store brands serve as a platform for retailers to demonstrate retailer values
- Walmart's Great Value focuses on competitive pricing
- Great Value has an extensive product range
- Amazon Basics offers quality, affordability, and accessibility
- Visibility, combined with positive customer reviews, bolsters success
- Sprouts Farmers Market caters to health-conscious shoppers
- Uses organic, non-GMO, high-quality ingredients for store brand
- Southeastern Grocers launches Know & Love clean label store brand
- Walgreens expands Nice For You! line of BFY products
- Dollar General uses private label to highlight Food First initiative
- Target focuses on sustainable packaging for private label brands

APPENDIX

- Market definition
- Consumer research questions
- Consumer research methodology
- Generations
- Abbreviations and terms

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