



Private labels in UK

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UK

Private label landscape

[In the UK, over half of buyers](#) of branded and private label products say buying own-label makes them feel like they have had a positive shopping experience, rising amongst the highest earners and those describing their financial situation as healthy.

- **This demonstrates the opportunity for retailers to appeal not just to those consumers looking for a bargain out of necessity, but the much larger group seeking this out of choice as well.**
- **Post-pandemic times will create opportunities for retailers to generate new capabilities to differentiate their private label ranges** in a competitive marketplace. We explore the four key trends that will shape the future of the private label industry.





What is a private label?

- A private label product is manufactured by a contract or third-party manufacturer and sold under a retailer's brand name. As the retailer, you specify everything about the product – what goes in it, how it's packaged, what the label looks like – and pay to have it produced and delivered to your store. This is in contrast to buying products from other companies with their brand names on them

Why do we use private label products

- By selling to private labels, a manufacturer can eliminate the cumbersome branding process that requires creation, testing, implementation, and distribution.
- Private label products use the retailer's private label brand. It is up to the end retailer to design the manufacturing, packaging, and marketing – not up to you as the creator of the good, eliminating added costs. You only pay the product cost without a premium for brand name or expensive marketing campaigns.
- **HIGHER PROFIT MARGINS**
- **LOWER OPERATING COSTS**
- **BETTER BRAND LOYALTY**
- **GREATER MARKET STABILITY**
-



ALL Retailers and wholesalers use PRIVATE LABEL

Retail

- TESCO
- Sainsbury
- Waitrose
- M&S
- Asda
- Lidle
- Aldi
- Ocado
- Convenience store
- Booker
- Makro
- Costco
- Dimanche
- Crown
- Costcutter
- SPAR
- Nisa
- CO-OP
- Budgens
- Express
- UKG

Wholesale / foodservice

- Brakes
- Bidfood
- Creed
- Sothern.
- KFF
- Vegex
- JJ
- Magna
- Waterdene
- Shipley
- DDC
- Food fellas
- Medina
- Express
- Red
- McCartney
- Parkers
- Hunts
- Bako
- Reynolds
- CLF

- **Boswell Farms** - fresh beef products;
- **Butcher's Choice** - frozen meat;
- **Creamfields** - dairy products including milk and cheese;
- **Eastman's** - cooked meats, coleslaw, dips;
- **Fred & Flo** - Baby products;
- **Hearty Food Co.** - fresh and frozen ready meals, pasta, pizza and fresh foods;
- **H.W. Nevill** - bread and morning goods;
- **Ms Molly's** - desserts, sweet biscuits, chocolate, cakes;
- **Nightingale Farms** - fresh vegetables;
- **Redmere Farms** - fresh vegetables;
- **Rosedene Farms** - fresh fruits;
- **Springforce** - household products such as toilet roll and kitchen paper;
- **Suntrail Farms** - fresh citrus/exotic fruits;
- **Stockwell & Co** - kitchen cupboard 'essentials' such as canned food (excluding fruit and vegetables which are branded as **The Growers Harvest**), tea and coffee, cereals, drinks, baking goods; named after T.E. Stockwell who sold the first packet of tea to Jack Cohen, founder of Tesco.
- **The Growers Harvest** - packaged fruit, vegetables and pulses including rice and oats;
- **Willow Farms** - fresh poultry products;
- **Woodside Farms** - fresh pork products;
- **Tesco Essentials** discount basic range



ASDA



- [Asda Smart Price](#) is a no-frills private label trade name. It can trace its origins to [Asda's](#) Farm Stores brand launched in the mid-1990s, which consisted of products that were offered at a lower price than the equivalent famous name brand product and Asda's own brand equivalent. The Farm Stores brand originally consisted of a small number of food only products, largely frozen such as frozen chips and a small range of ready meals: this range later expanded to include fresh food. Smart Price products are almost always the lowest price option (known as *Our Lowest Price*) in a product category in Asda stores.

- [Sainsbury's Basics](#) was an economy range of around 550 lines, mainly food but also including other areas such as toiletries and stationery. The Basics range used minimal packaging with simple orange and white designs. Sainsbury's Local stores sold none or very few of these lines. Sainsbury's seeks to differentiate itself on its own label items on quality and many of the Basics products cost more than what may be considered the equivalent products at Asda, Tesco and [Stamford Street Food Company](#) - chilled and frozen ready meals, chilled pizza and garlic bread, named after the supermarket's former Head Office location in London;
- **Hubbard's Foodstore** - store cupboard staples such as tea bags, jam, tinned foods, condiments and soft drinks, the name possibly being a reference to [Old Mother Hubbard's](#) cupboard;
- **Daily's** - bread and morning goods;
- **House 247** - tissue paper products, refuse sacks, cleaning products;
- **Mary Ann's Dairy** - cheese and yoghurts, named after [Mary Ann Sainsbury](#);
- **Lovett's Family Favourites** - chocolate, cakes, desserts and biscuits;
- **Just Snax** - crisps, snacks and salted nuts;
- **The Greengrocer** - fresh, frozen and dried fruit and vegetables;
- **J James & Family** - fresh and frozen meat products, named after [John James Sainsbury](#)

The Sainsbury's logo is displayed in a large, bold, orange font. Below the text is a thick, orange, wavy line that curves under the letters. The background features decorative geometric shapes: a yellow triangle in the top right corner and a blue triangle in the bottom left corner, both with overlapping squares.



WAITROSE
& PARTNERS

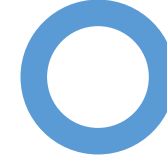
- [Morrisons Savers](#), formerly M Savers, is an economy brand which sells items ranging from food and drink to toiletries, currently the UK's fastest growing grocery brand. Morrisons Savers is Morrisons value brand.^[9] This replaced 'Value' which in turn was a replacement for 'Bettabuy'.
- Departing from earlier practice, [Waitrose](#) rebranded their entry level range of products as [Essential Waitrose](#). The marketing of *essential Waitrose* centres around the tagline "quality you'd expect at prices you wouldn't". 1,600 new and existing products have been rebranded with this name using simple white-based packaging. In keeping with the rebranding across the John Lewis Partnership, these are now branded *Essential Waitrose & Partners*.



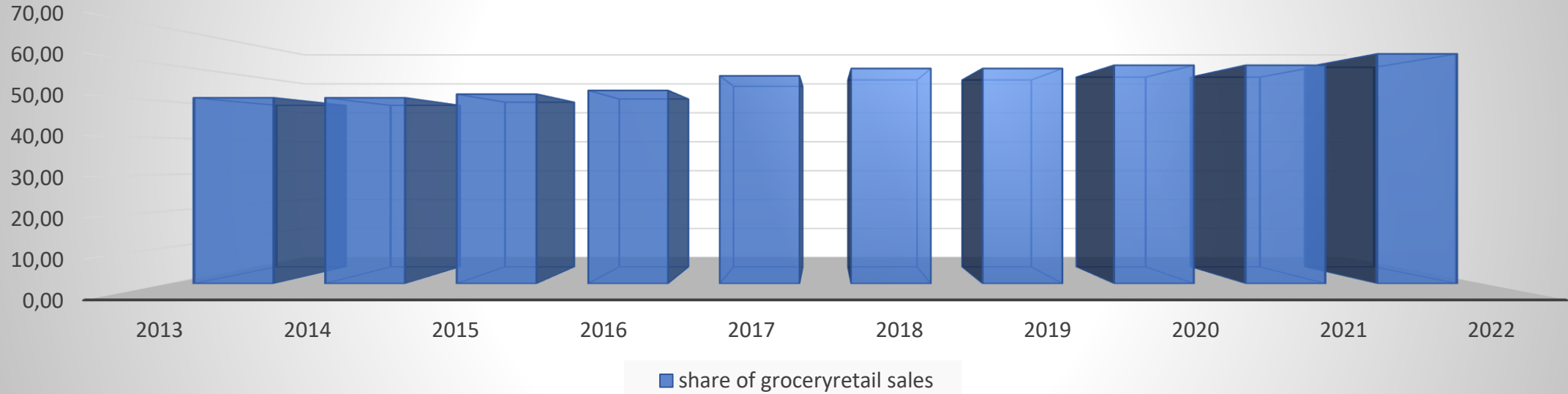
- Many of the main [convenience stores](#) have an in-house value brand.
- **Heritage Value**
- Heritage Value is the value brand of [Nisa](#). As a convenience store, prices tend to be considerably higher; a 29p pack of penne pasta in [Lidl](#) will cost you £1.09 in Nisa
- **Daily Basics**
- Daily Basics is a brand owned by the Irish retail group [Musgrave Group](#), and is an in-house brand which is sold by [SuperValu](#). As a convenience store, prices tend to be high, with a litre of orange juice costing 89p.^[14]
- **S Budget**
- S Budget is [SPAR](#)'s value brand. It is an international value brand, and thus includes some products that in the UK are considered very unusual in a value brand such as polony chubb (slicing sausage).^[15]
- **Honest Value** Honest Value is the Co-operative value brand which launched on 4 November 2020. It replaced the *Simply Value* brand first used by [Somersetfield](#) and which was retained after Somersetfield's acquisition but which was discontinued after 2016. (Simply Value had replaced the Co-operative's *everyday* brand).

Wholesalers

- It is not uncommon for wholesalers to have their own value brand to help independents compete on price.
- **Euroshopper**
- [Booker](#) (owned by Tesco) owns value brand [Happy Shopper](#) but also sells [Euroshopper](#) products, which are produced by [AMS Sourcing B.V.](#) They are also sold in their symbol group stores [Premier Stores](#), [Londis](#) and [Budgens](#).
- **Best One Essentials**
- Best-In Essentials, known previously as Best-In Economy is the value brand of [Bestway](#). Best In have recently overhauled their entire range. The Best In range was relaunched as Best One, with the value brand being relabelled Best One Essentials. As these items were sold in franchised Best One stores, it was argued that consumers would expect to carry the same label as the store.
- **Lifestyle Value**
- In 2018, following a merger between the Todays Group with its principal competitor, Landmark Wholesale, the Todays label was rescinded. The newly formed company was named Unitas Wholesale and elected to keep the popular Lifestyle brand, with its economy range of Lifestyle Value.



share of grocery retail sales



Share of grocery sales increasing YOY
2022 strongest following post covid Trends

1. Amazon: stepping up private label ambition

Amazon continues its relentless push into grocery, launching new private label brands and expanding its reach both online and on the high street.

To withstand the potential threat of Amazon's private label expansion, **mainstream grocery retailers have to prove their ability to innovate in both online and offline spaces.**

As the world undergoes a digital transformation as a result of the pandemic, mainstream retailers will continue to invest heavily in technology to support online growth and increase their fulfilment and delivery capabilities.

Given the continued rapid growth of the online grocery industry, operators that fail to adopt an omnichannel presence and have well-defined strategies will find themselves losing market share.



2. Transparency of products

- Companies that are will to help and to give back to producers with development and fair trade.
- Trust in food products has been diminished.
- **Retailers must demonstrate how they are enriching local economies,** environments and communities in a meaningful way by building local values into innovation.
- Use of QR codes to deliver information regarding sustainability, and transparency of production.
- H& M clothing led direction in 2019, showing what producer produced what products including the manufacturer, factory location and even the address
- Field to table traceability
- Alternatives to what was the “Norm” in food and drink.
- Sustainable, reduced packaging, bio-degradable and ethical.

The logo for Abel & Cole, featuring the brand name in a bold, black, sans-serif font. A small, stylized leaf icon is positioned between the ampersand and the word 'Cole'. The logo is set against a white circular background with a grey drop shadow.

Abel & Cole

The logo for Hello Fresh, featuring the word 'Hello' in a white, cursive script font and 'FRESH' in a white, bold, sans-serif font. The logo is set against a green circular background with a grey drop shadow.

**Hello
FRESH**

The logo for Gousto, featuring the brand name in a white, lowercase, sans-serif font. The logo is set against a red circular background with a grey drop shadow.

gousto

3. Elevated at-home dining

- **The dine-in positioning will remain relevant in the post-pandemic world.** In the UK, foodservice businesses were fast to steer towards this evident opportunity, with the artisan bakery chain **Gail's** and the much-loved Indian restaurant group **Dishoom** being among the first to offer **DIY** kits for breakfast.
- Gousto, abel & Cole (organic) all leading restaurant chains
- Roux, Stein, Kerridge, harnett

Product boxes are collated and served from centralised fulfilment locations and companies.

4.Sustainability reloaded

- COVID-19 heightened consumers' concerns for their health and the environment, leading to further demands on product origins. Private label products often lack the transparency that branded products have, with only limited products like meat and dairy being required to list farmer or producer details.
- **Retailers are increasing transparency with improved labelling to build trust.**
- For example, German retailer **Rewe** switched the sourcing of its entire private label egg range to laying-hen breeds where male chicks are not killed. Rewe highlighted the changes to consumers by changing the traditional 'ja!' logo to a 'No to chick culling!' label on its egg boxes for fresh barn eggs.
- Plant based and organic products becoming KEY factors
- Organic Decaf coffee



5. Packaging and on the go products

- Canned alcoholic drinks, wine spirits hard seltzer
- Plant based foods
- Ready to go meals and drinks (healthy options)
- Snacks healthy alternatives
- Dairy free production
- Organic high-quality dairy and cheese
- Artisan meat products with traceability
- Small batch production.
- Cost effective large volume manufacturing for repurposing
- Requested product changes for retailers.
- Private label show Amsterdam 31st May-1st June
- <https://www.plmainternational.com/trade-show/exhibiting/general-information>





F D REVIEWS

- Online review service for products wanting to enter into the UK market place
- Private label and retail
- Food service
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- www.fdreviews.com

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