



What is Private Label?

- Private label is a term used to categorize product's that are branded for a specific retailer. It's the retailer's brand. Private label can be referred to as "Own Brand", "Control Label" or "Control Brand".

Why do retailers have Private Label?

Private Label products are intended to do the following:

- Shield profitability: If a retailer can switch a consumer from the National Brand to their Private Label, they will make more profit on that sale.
- Create store loyalty: If a customer gets used to a private label and that becomes their preferred brand, and they can only get that brand from that retailer, then loyalty has been created.
- Puts pressure on National Brands, give the retailer leverage

Private Label brands in Canada



Walmart

- Great Value



Costco

- Kirkland Signature



Loblaw Companies

- No Name
- President's Choice



Sobeys

- Signal
- Compliments
- Sensations



Metro

- Selection
- Irresistibles



At home:

- Look at your local flyers.
- How much space is given to Private Label vs National Brand?
- Are there any obvious shielding strategies going on where the retailer is trying to sell Private Label instead of National Brand, or trying to sell a complimentary Private Label item to a National Brand?
- Look in your fridge and pantry. What Private Label items do you buy?
- Why do you buy them? Price, quality, variety?
- Think about your shopping habits, are you looking for Private Label products when you shop or does the retailers merchandising and pricing entice you to choose Private Label?
- Are there occasions when you use Private Label (e.g., everyday meals) versus National Brand (e.g., when you're hosting company, or having special events)?

At a store:

- Pick a category you're interested in. Visit a store and go look at that category.
- Count how many listings (items) are being sold. How many of them are National Brands? How many of them are Private Label?
- What are the price gaps between National Brands and their equivalent Private Label (sometimes referred to as a Key-off)? Is the price gap enough to motivate you to switch from National Brand to private label? If not, is there a gap that would make you switch, or are you loyal to your National Brand?
- Look at the Private Label items versus the National Brand items in terms of packaging, sizes and formats. Are the Private Label items copying the National Brands?