

*Quality Assurance Association*  
*Fall 2007 Conference*

Global Influences  
on the Private Label Industry

# *Going Global: What does it really mean?*

- Going global means thinking, planning and doing business in places in other countries on other continents.
- Going global also means sourcing for products globally.

# *Going Global: What does it really mean to private label*

- To retailers
- To manufacturers
- To consumers

# *Globalization and retailers*

- New and savvy international competitors
- New and savvy local competitors
- New product concepts
- New supply chain challenges
- New opportunities to go global yourself

# *Globalization and manufacturers*

- New competitors
- New pressures on costs and profits
- New packaging and ingredients
- New opportunities for your own company
- New need to understand consumers in other places

# *Globalization and consumers*

- New choices among retailers
- New choices among products
- New risks of quality control and food safety

## *Understanding the stakes*

- Retailer's reputation is on the package
- One private label product's recall can damage all private label product sales
- If the recall is big enough, everyone's private label can be harmed.

# *Understanding global private label*

- ACNielsen study shows retailer brands represent 17% of sales in 80 categories across 36 countries
- Rate of growth is particularly high in developing markets
- Private label growth is exceeding national brand growth.

## *Different countries, different trends*

- Market share more than 30%
- Market share between 20% -30%
- Market share between 10% - 20%
- Market share under 10%

## *Private label's profile at home*

- Canada 27%
- U.S. 21%

## *Private label's elite*

- Switzerland 53%
- Great Britain 43%
- Belgium 42%
- Germany 39%
- France 35%
- Spain 35%

## *Private label's upwardly mobile*

- Scandinavia                      20% - 28%
- CEE                                      20% - 34%

## *Private label's slow starters*

- Australia 20%
- Italy 16%
- Japan 10%

## *Private label's markets of tomorrow*

- Latin America 5%
- Russia 4%
- China 4%
- India 1%

# *Globalization's Winners*

- Retailers and manufacturers who can compete internationally.

# *Globalization's Losers*

- Retailers and manufacturers who cannot

