

Why we are comfortable with store-brand paper towels but not laundry detergent

A deeper dive into consumer attitudes and intentions toward private-label shopping

Prepared by  **GroupSolver**

Let's talk about...

1. The bottom line

2. The importance of quality

3. Increased openness to private-label

4. About GroupSolver

1

The Bottom Line

Quality is the key

Quality of an item is a consistent driver behind private label purchase decisions. **It is also the main barrier** preventing switching from national brands.

Consumers still prefer national brands, but they **intend to move** toward private label. Experiencing economic hardship accelerates the trend.

In some product categories – pet food, baby food, oral care – where **quality is harder to assess**, national brands are in a stronger position.

2

The importance of quality

Barriers preventing shoppers from purchasing private label

Important factors in a private label purchase

Differences between store and national brand decisions

The top barriers
to purchasing
private label
revolves around
**perceived lower
quality.**

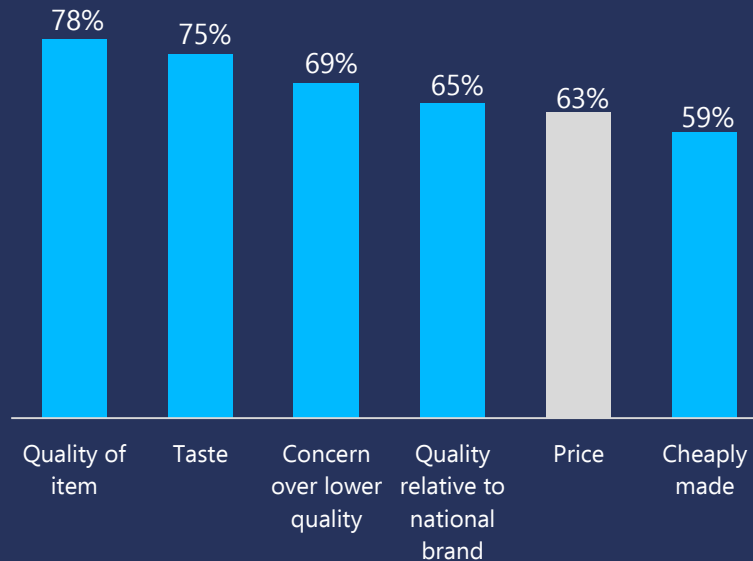
Top concerns about purchasing private label

Respondent answers; IdeaCloud™



Question: What are some concerns you may have that would prevent you from purchasing a **store brand** product?

Common Themes (with % Theme Support)*



* Support strength statistics estimates the portion of the population who would support/agree with this answer.

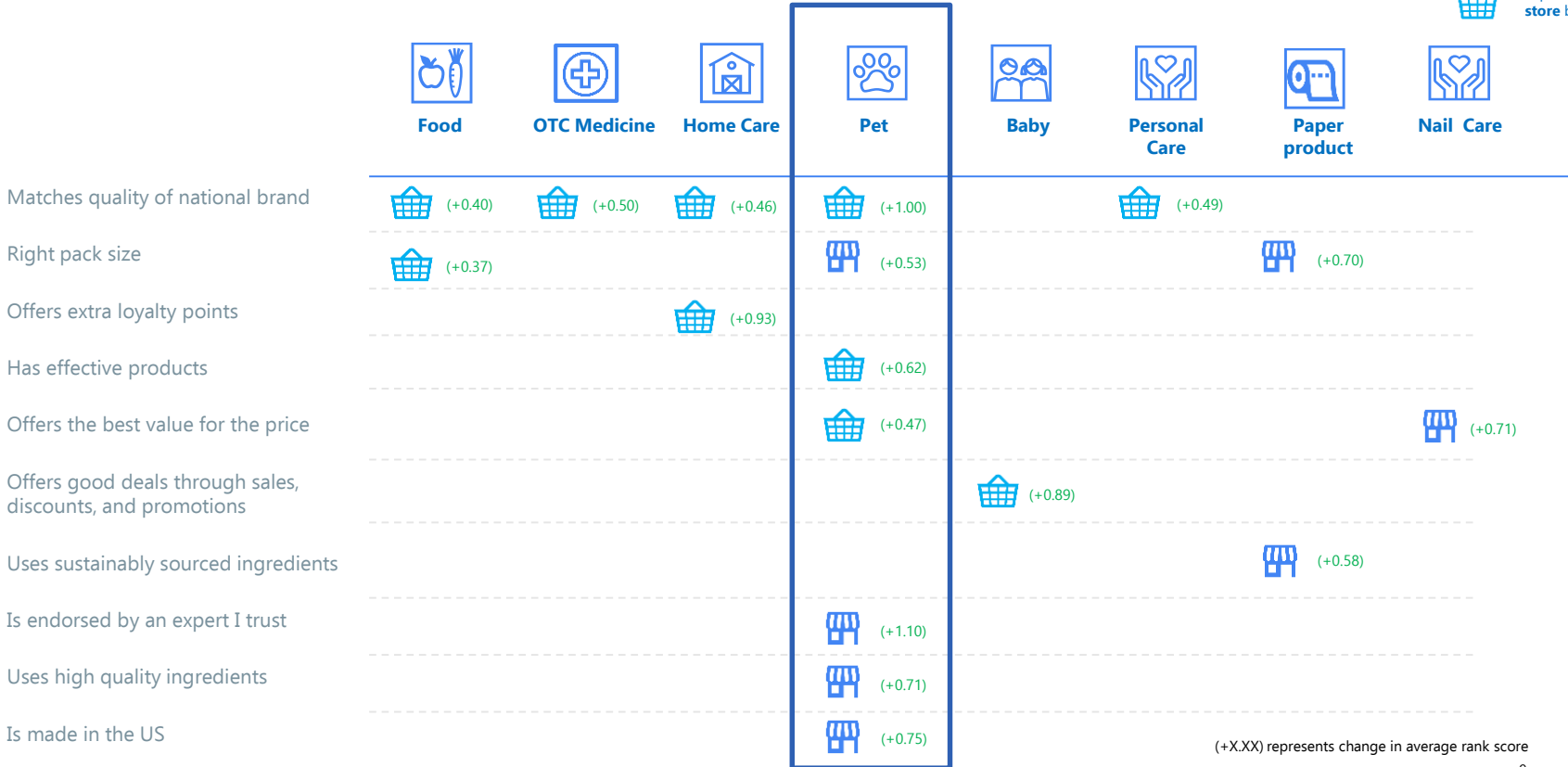
Consumers look for value and quality when shopping for store brand products.



Q: Which of the following qualities are important to you when purchasing a store brand product? Select all that apply.

Pet product shoppers in particular look for confidence in product quality

 Important for national brands
 Important for store brands

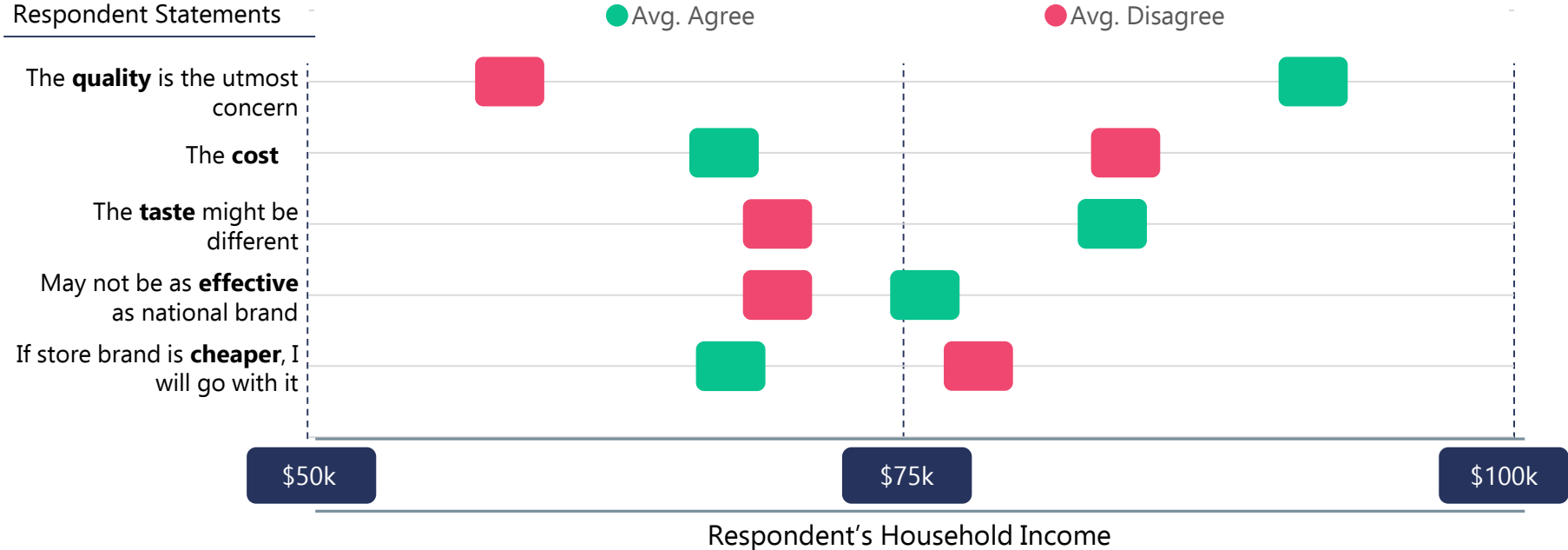


(+X.XX) represents change in average rank score

Difference in ranked importance of an attribute; $p < 0.10$ (Significant difference in averages at a 90% confidence level)
 Q: Please rank the following qualities in order of how important they are to you when purchasing a store brand/national brand product, with 1 being the most important quality to you.

Quality is important to higher income consumers. Cost to lower-income buyers.

QuantQual™: Top Concerns About Private Label by Consumer's Household Income



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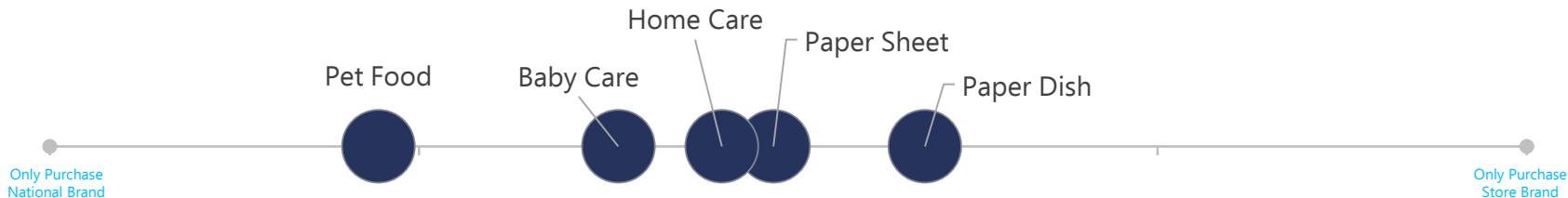
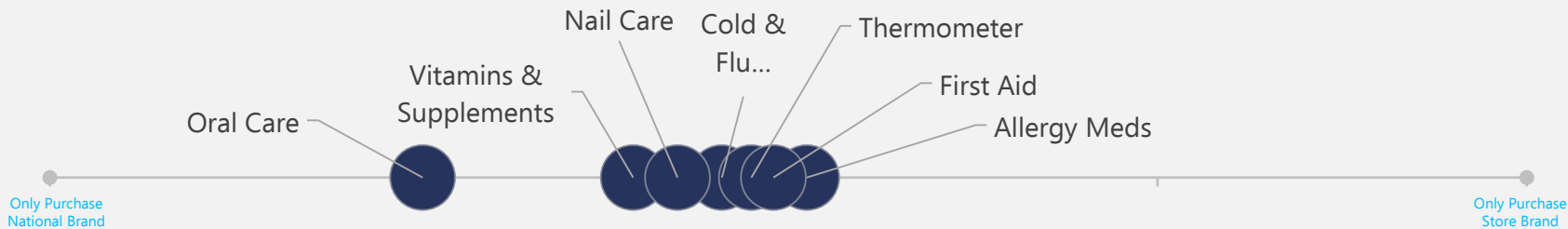
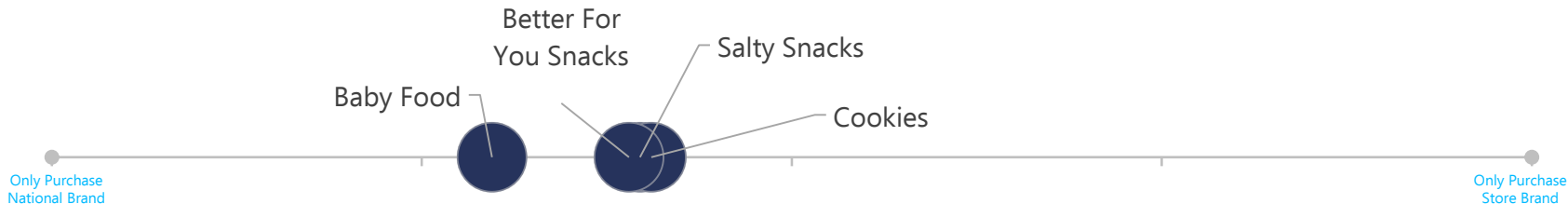
Increased openness to private-label

What product categories are shoppers more open to private label products?

Who tends to prefer private label products?

Are shoppers expecting purchasing more private label products in the future?

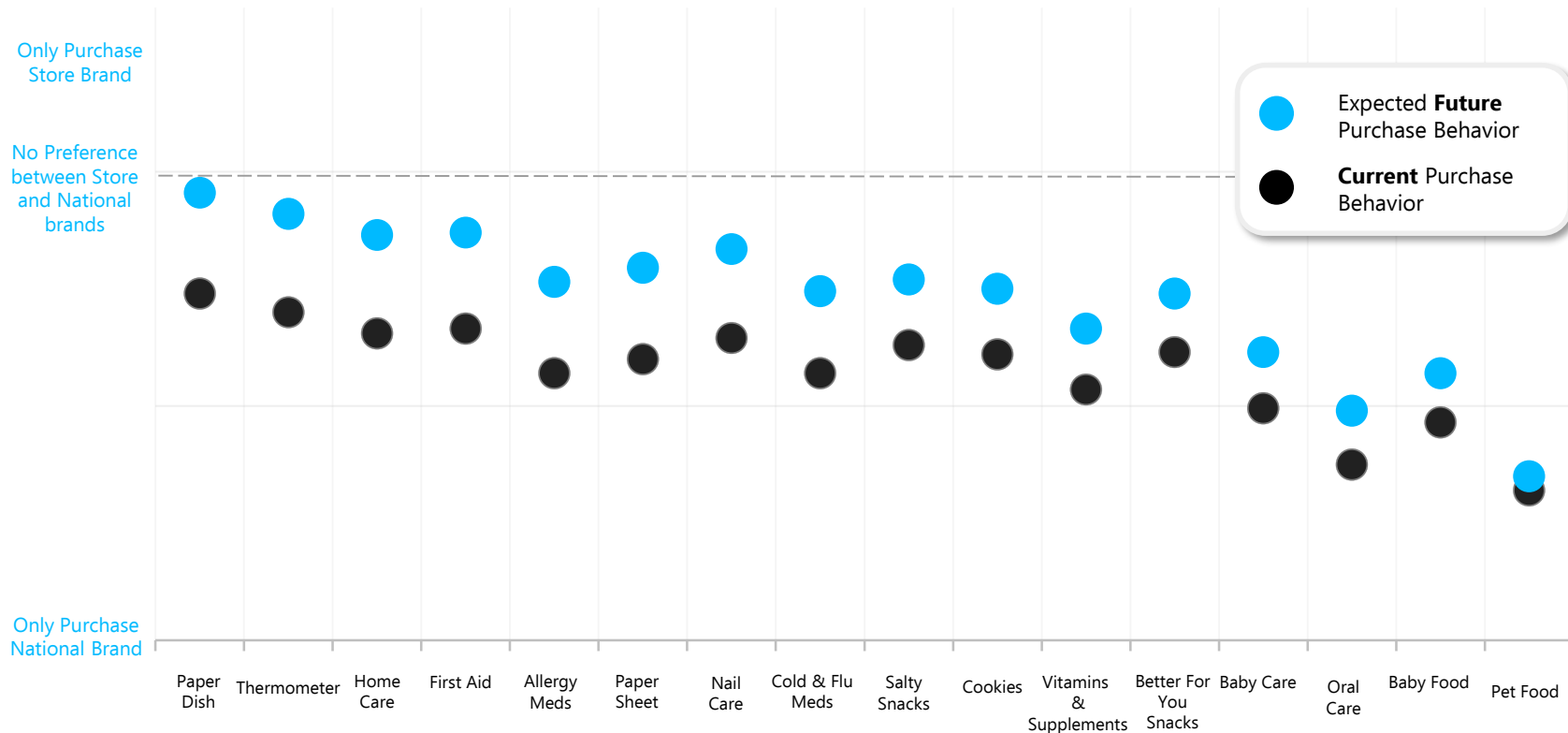
Consumers strongly prefer purchasing national brand pet food, baby food, and oral care products



Scale: 1 = "Only purchase national brand", 5 = "Only purchase store brand"

**Consumers still
prefer purchasing
from national
brands, but plan to
increase their private
label spending in the
future.**

In the future, national brands are still expected to be preferred, but store brands are likely to gain market share



Scale: 1 = "Only purchase national brand", 5 = "Only purchase store brand"

Store brands require a price discount, but its magnitude varies by product category

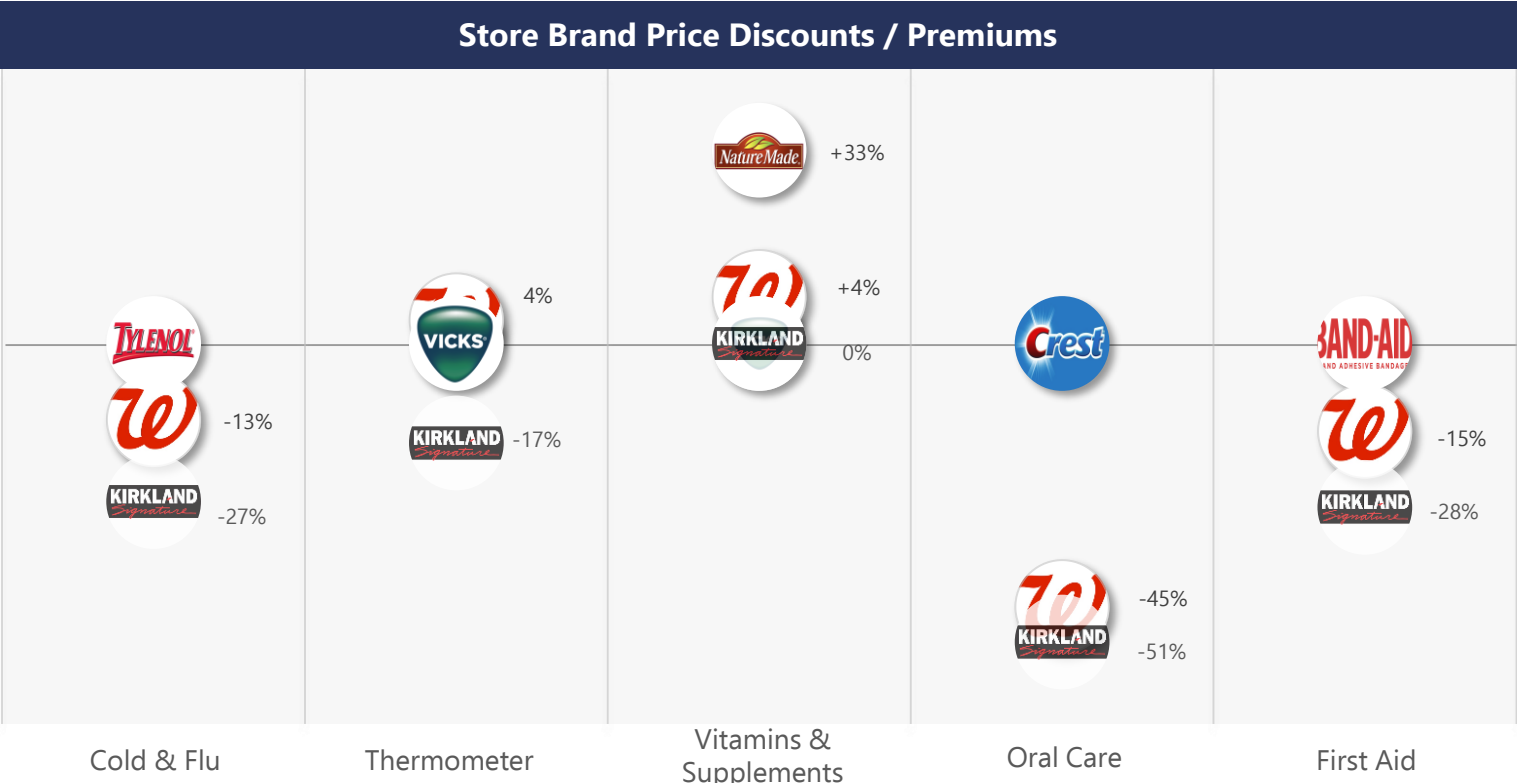
Price Premium

Brands that are **more** desirable and can be priced **higher** than the baseline competitor

Baseline Competitor

Price Discount

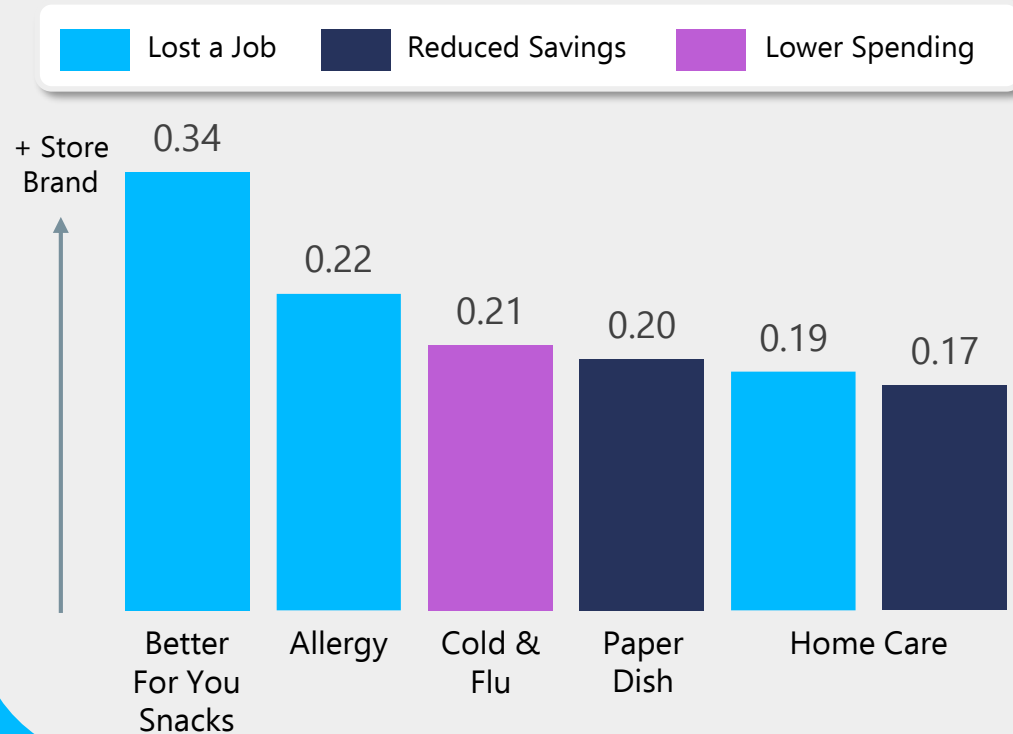
Brands that are **less** desirable and should be priced **lower** than the baseline competitor



*Price Premium: Price increase (or decrease) vs benchmark (expressed in %) that would make the consumer indifferent between the two products

Experiencing economic hardship is the strongest driver to switch from national to store brands.

Expected Shift Toward Private Label



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About
GroupSolver

How our technology works

Our survey innovation helps you answer those burning **why, what, and how** questions in detail, unbiased, and in your audiences' own words.



Ideation

When respondents answer open-ended questions, our machine learning condenses their unaided answers and filters out noise such as gibberish, profanity, and low value answers.



Evaluation

Respondents then interact with each other's answers and provide support for answers with which they agree. This allows us to quantify the qualitative data.



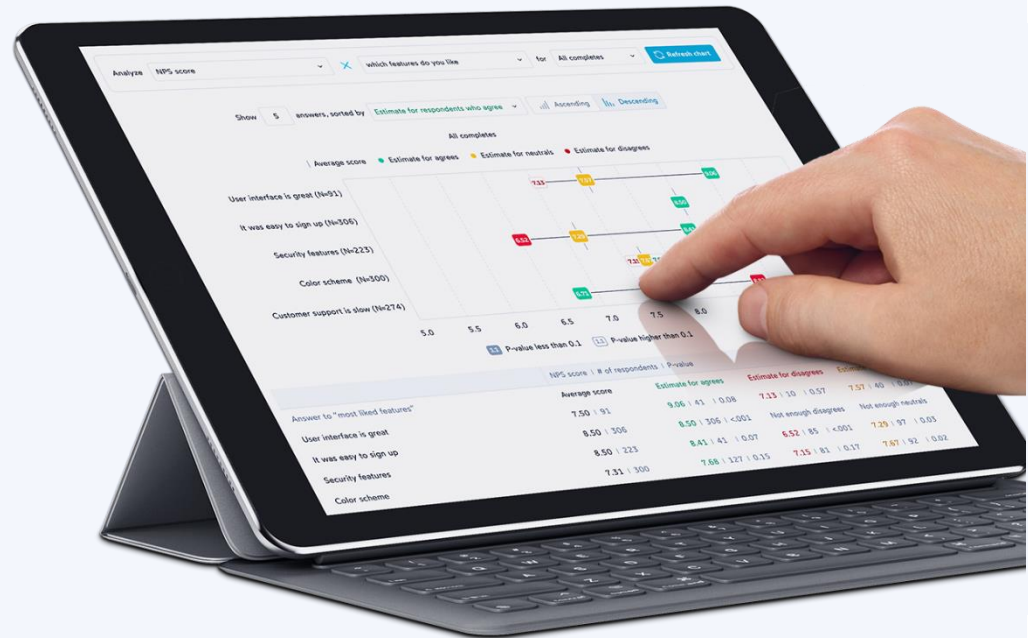
Synthesis

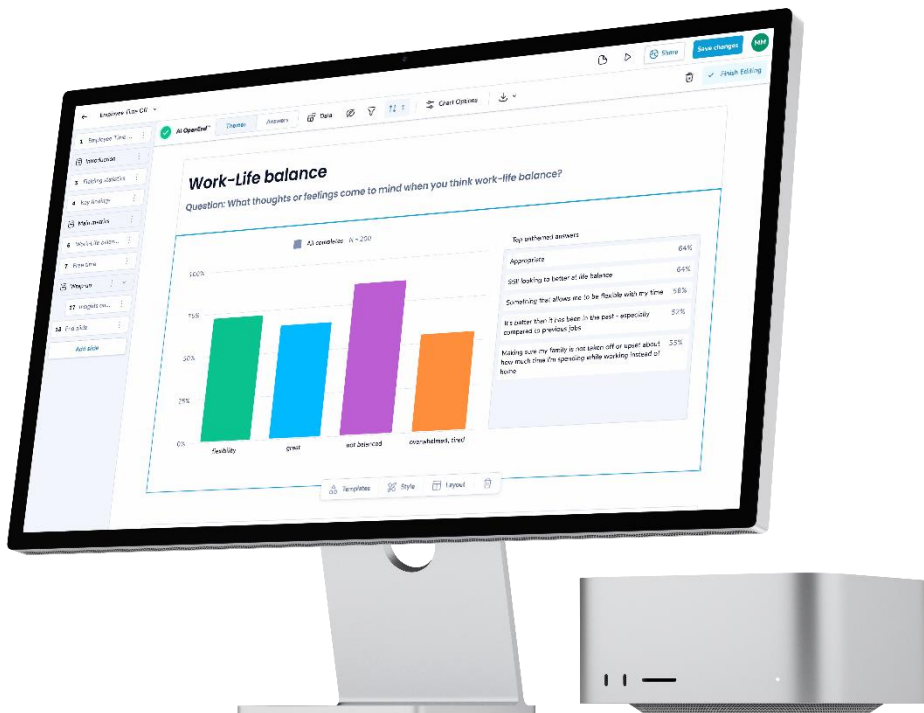
Using the evaluation data, the open-ended answers are assigned statistical support and are visualized through insightful reports.

Introducing: QuantQual™

Discover the feedback that matters most

With QuantQual™, see the relationship between customers' answers to a quantitative question and answers to a qualitative one, making it simple to identify insights that *truly* move the needle.





The innovative slide-building solution

Upload colorful charts & visuals from the dashboard, customize your slides, and watch your insights pour into a shareable, meeting-ready presentation before your eyes. Save days of work without ever leaving the platform.

**Let's
keep in
touch.**

See you at Booth 513!

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