

Press Release

PRIVATE/OWN LABEL MARKET SHARE TO REACH 50% BY 2025, SAYS RABOBANK

The uptake of private/own label foods is set to grow significantly in the coming years, doubling to 50% by 2025, according to new global research by Rabobank International. This is good news for consumers, as intense competition among private label and brands will increase quality and lower prices. It also poses both challenges and opportunities for manufacturers and suppliers to the retail food trade.

In Ireland, private label or 'own brand' share of the Irish grocery market has grown from 16% in 2001 to over 33% in 2010, and Rabobank expects it to grow to 40% by 2015.

The research, conducted by Rabobank's Food & Agri (FAR) Research division, shows that:

- Private/own label brand share is expected to double globally by 2025 – at twice the rate of overall retail food growth;
- At the same time both consumers and food retailers will continue to rely on premium brands;
- In order to ensure their future success, smaller, secondary brands would be well-advised to adopt one of two distinct strategies: either innovation and the development of niche markets, or volume growth to achieve increased scale
- Private/own label market share will get an extra boost thanks to the emergence of specialised private label suppliers geared towards producing high quality products at lower prices.

This research is due to be presented in detail by Sebastiaan Schreijen, Associate Director Processed Food & Retail, of Rabobank's Food & Agri Research (FAR) division at the Checkout Conference 2011. The event will take place on 23rd February in Dublin's Four Seasons Hotel.

About Rabobank:

Rabobank is renowned worldwide for its Food & Agri (F&A) research services, and the solid range of products and services it offers to customers. The bank's F&A Research and Advisory (FAR) department draws an expert team of analysts based throughout the global Rabobank network. This team continuously accumulates knowledge on companies, issues and trends in the F&A sector, publishes research and provides advisory services to the Bank's F&A customers.

About the Checkout Conference:

The Checkout Conference 2011, held in association with Rabobank, will take place on February 23, 2011, in the Four Seasons Hotel in Dublin. The event, titled 'Making Sense of Sustainability', will address the impact of the global sustainability agenda on the Irish FMCG sector.

For more information on Checkout's 2011 Annual Conference, contact John Ruddy, Editor, Checkout Publications, on 01 2365833 / 087 6200770

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