

# ROOM ENOUGH FOR ALL

ITALIAN PRIVATE LABELS IN 2017

# THE CONTEXT

Over the last year, private labels have further consolidated their share of total Grocery, reaching 18.8%. This growth has been scored in all the channels and in all product categories. Analyzing the categories in which private labels have a more positive trend, we have highlighted that the drivers are not only those of the offer, but also consumers' demands.

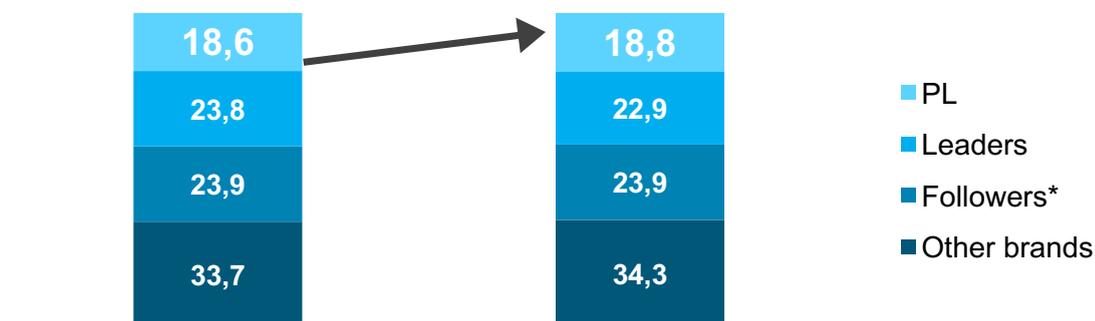
The development of assortments and the increase in promotions have a positive impact on the growth of PL, but they are only puzzle pieces. Offering an excellent quality-price ratio, private labels encourage confidence in retailers. This trust favors an overall FMCG growth, without compromising other brands.



## +4.6%

**PL value sales**  
January-December 2017  
(total Grocery: **+2.8%**)

**Sales trend  
of different brands**



Source: Nielsen, Trade\*MIS, Iper+Super+Superettes, January-November 2017

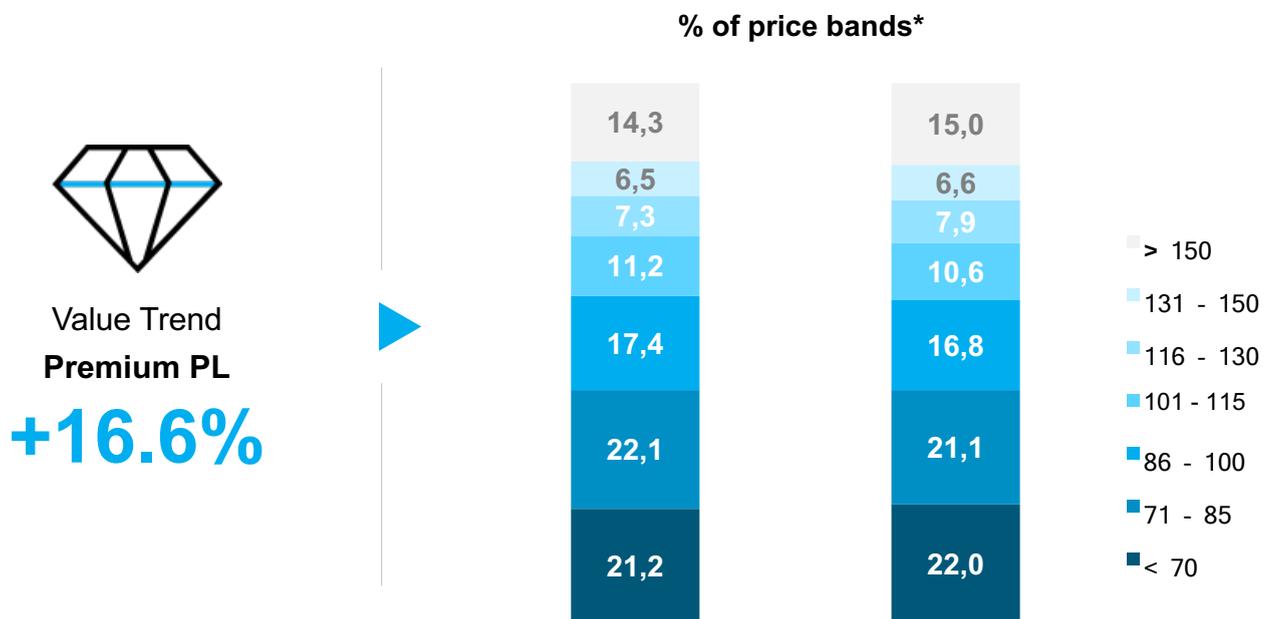
\*Follower: 2° to 4° brand

# A YEAR OF UPDGRADE

Private labels in Italy still have a small share in comparison with the one hold by private labels in the United Kingdom and in Spain, whose weight on total grocery is around 40%. Nevertheless, is always more likely that PL will become one of the main levers of retailing mix.

The re-development of PL offer recently begun goes in the right direction: in 2017 PL's premium products grew, while basic price products' fell (-11.5%).

PL were born as a cheaper alternative to the existing offer, yet the proliferation of premium private labels matching niche needs, such as super-healthy habits, shows that PL is evolving alongside – and not overlapping – other brands.



Source: Nielsen, Trade\*MIS, Iper+Super+Superettes, January-November 2016 and 2017  
\*100 = category average

# PL CATCHING TRENDS

With a view to making PL a strategic asset, retailers should develop product categories where consumers want more alternatives, for example catching winning trends. PL has already managed to exploit trends related to the origin of products and to sustainability, gaining a relevant share of total sales.



**MADE IN ITALY**  
+2.5%

	Value TREND %	PL SHARE
DOCG	+9.7%	5.0%
IGP	+9.5%	<b>39.6%</b>
100% Italian	+4.3%	<b>28.2%</b>



**CSR CERTIFICATION**  
+4.8%

	Value TREND %	PL SHARE
Sustainable	+21.3%	4.5%
Friend Of The Sea	+15.8%	<b>22.5%</b>
Fair Trade	+5.3%	<b>86.6%</b>



**LIFESTYLES**  
+10.1%

	Value TREND %	PL SHARE
Organic	+15.2%	<b>41.0%</b>
Vegan	+10.0%	2.5%
Kosher	+9.9%	0%

Source: Nielsen, CommOnPack, Iper+Super – YE October 2017  
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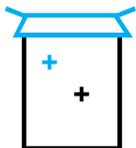
# PL CATCHING TRENDS

In other quickly-expanding categories, PL still holds a modest share, but shows a significantly higher growth than the competitive set. In particular: products with rich-in and free-from claims on packaging, as well as hypoallergenic products.



**FREE-FROM**  
+3.3%

	Value TREND %	PL TREND
Palm oil-free	+16.4%	<b>+76.4%</b>
Salt-free	+7.2%	+7.1%
Sugar-free	+3.3%	<b>+15.5%</b>



**RICH-IN**  
+8.7%

	Value TREND %	PL TREND
Wholemeal	+11.9%	<b>+21.3%</b>
Omega 3	+9.5%	+5.1%
Fiber	+4.4%	<b>+13.7%</b>



**INTOLERANCE**  
+4.3%

	Value TREND %	PL TREND
Gluten-free (claim)	+3.9%	<b>+18.3%</b>
Gluten-free (logo)	+3.7%	<b>+11.3%</b>
Lactose-free	+11.0%	<b>+52.5%</b>

Source: Nielsen, CommOnPack, Iper+Super – YE October 2017

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## **ABOUT THIS REPORT**

This document is based on Italian data collected and analyzed by Nielsen Trade\*MIS and Nielsen CommOnPack.

## **ABOUT NIELSEN**

Nielsen is a global measurement and data analytics company that provides the most complete and trusted view available of consumers and markets worldwide. Our approach marries proprietary Nielsen data with other data sources to help clients around the world understand what's happening now, what's happening next, and how to best act on this knowledge. For more than 90 years Nielsen has provided data and analytics based on scientific rigor and innovation, continually developing new ways to answer the most important questions facing the media, advertising, retail and fast-moving consumer goods industries. An S&P 500 company, Nielsen has operations in over 100 countries, covering more than 90% of the world's population.