

PRIVATE LABEL MANUFACTURERS ASSOCIATION

Chicago, November 2023

The Private Label Manufacturers Association (PLMA) themed The Store Brands Phenomena was a sold out show that drew over 13,000 attendees. 600 new exhibitors were among the more than 2,700 exhibitors.

International pavilions dominated the show with almost half of the exhibitor floor filled with suppliers outside of the U.S. The Italian pavilion was by far the largest trade delegation of the 40 country pavilions. In total 60 countries were represented.

STATE OF THE INDUSTRY

PLMA projects total U.S. store brand dollar sales for 2023 will reach \$233 billion, an increase of about \$4 billion over 2022. Private label products account for nearly 22% of global consumer spending according to Kantar research. The rapid growth of discount stores is important to the success of private brands, yet 68% of the growth came from other channels like supermarkets, e-commerce and convenience stores.

FROM THE SHOW FLOOR

Flavor Exploration – Prepared foods and ingredients from around the world drew attention and excitement from buyers. Among the offerings were authentic ingredients, prepared foods and quick scratch ingredients for creative, convenience driven home cooks. According to a study from Culinary Visions[®] www.culinaryvisions.org 84% of consumers surveyed said they enjoy being creative with ingredients in the kitchen. 68% said prepared sauces and flavoring components made it easier to bridge the gap between enjoyment and ease of preparation.

Sweet Heat In Snacks – Spicy foods continue to grow in popularity, yet heat that simply challenges the taste buds is giving way to sweet and savory combinations like jalapeño cheddar trail mix, habanero nacho sweet potato chips and pineapple habanero honey roast sesame sticks.

Plant Forward Foods – The large presence of global cuisines favored whole plants in flavorful foods that would appeal to vegetarians and omnivores. Interest in manufactured meat alternatives may be waning as the area that focused on plant-based meats and entrees only hosted 11 exhibitors. Yet many exhibitors throughout the show offered vegetarian or vegan alternatives to their heritage products. For example, a delicious and creamy dairy free gelato-like confection.

Tropical Tastes – The popularity of plant-based diets coupled with increasing awareness about the health benefits of coconut are driving growth of coconut-based ingredients, snacks and beverages. Some examples include: coconut water, coconut chips, coconut sugar, coconut flour and ube-filled coconut rolls.

Gen Z Shopper Impact – Core shoppers are skewing younger according to FMI (Food Marketing Institute). The NPD Group reports Gen Z shoppers have greater urgency when it comes to sustainability and are more focused on what they see as a climate crisis than Millennial shoppers.

BRAND BUILDING INSIGHT

Good Value Opens The Door

Consumers embrace the affordable prices of private brands, and FMI research shows consumers expect private brands to deliver taste, quality and trust.

Brand Building Takes More than Presence

Consumers love iconic mega brands. Yet, using resources to remove competition rather than building relevant value, can create an opportunity for high quality, affordable and dependable alternative brands.

An Exclusive Brand is More Than A Private Label

Store brands have to offer consistent quality, value and variety that supports the store's overall branding.

Private Brands Drive Store Preference

FMI research shows that private brands are very important to the choice of a primary store.