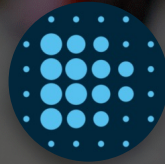


Retailers Adopt Aggressive Private Label Pricing Strategies in CPG

29th Mar, 2019

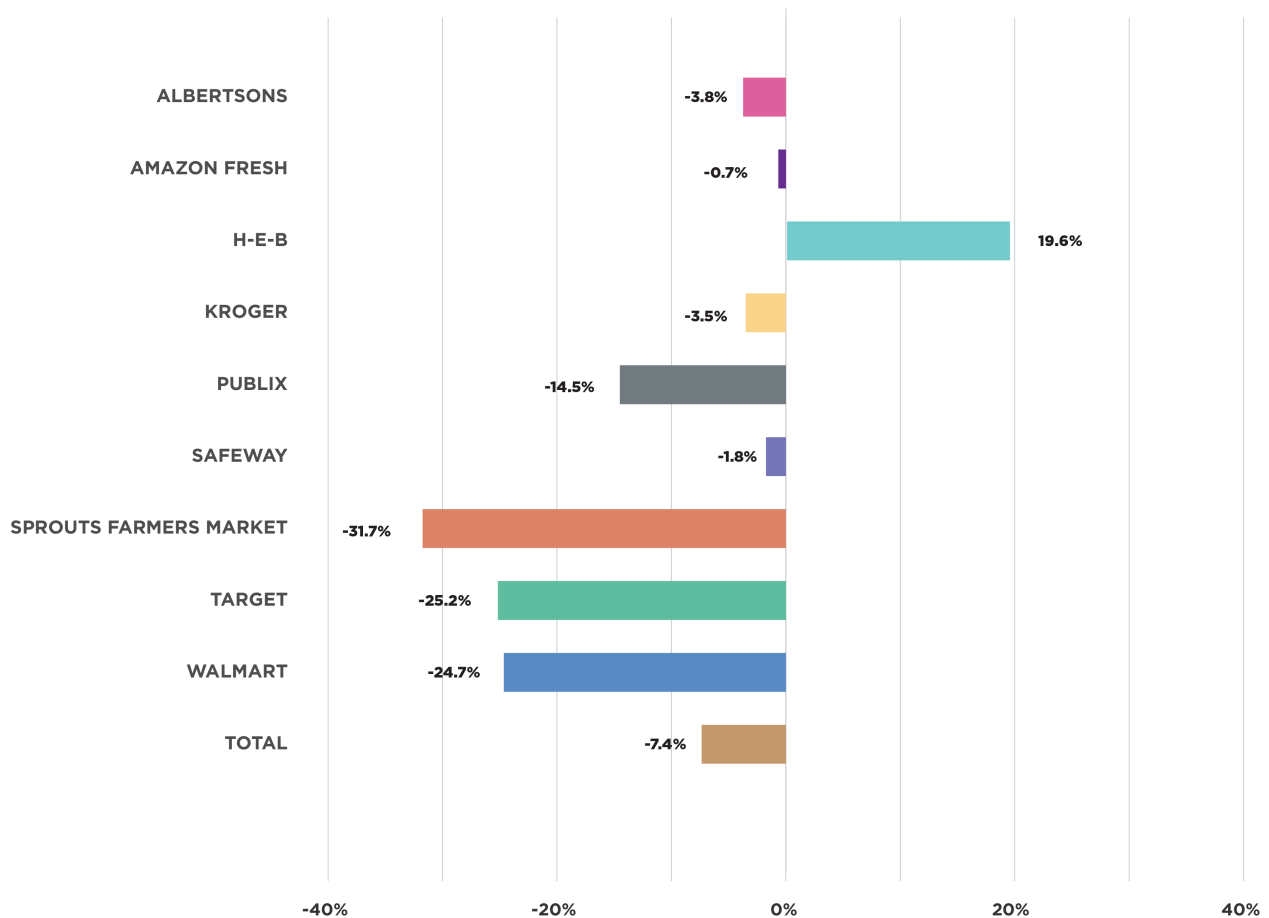


BY DATAWEAVE

Nine out of 10 leading retailers price their private label products lower than the average prices of their respective categories, reveals the [latest DataWeave study](#), drafted in collaboration with SunTrust Robinson Humphrey. The study reveals that an increasing number of retailers are viewing private label brands as a way to ensure sustained profitability.

“As the CPG space reels under intense competition, a number of retailers are doubling down on private labels to capture valuable additional margin. For instance, Kroger, Walmart, and Amazon Fresh have a higher degree of private label penetration than the other retailers we analyzed,” said Karthik Bettadapura, Co-founder & CEO at DataWeave. “Our study unveils several such key insights covering product assortment & distribution patterns, price perception, and private label dynamics, revealing a clear snapshot of the disruptive transformations sweeping across the US CPG landscape.”

AVERAGE VARIATION OF PRICE FROM AVERAGE SELLING PRICE OF CATEGORY



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Other key findings from the report, which tracked and analyzed 450,000 products across 10 leading retailers and 10 ZIP codes each, include the following:

- ➔ **Product assortment is emerging as a driver that's as critical as pricing when it comes to customer retention.** Target, H-E-B, and Kroger have a head start here, offering the largest product assortments among the retailers analyzed.
- ➔ **A sharp assortment strategy customized to local tastes and preferences is key to sustaining and enhancing customer satisfaction.** Albertsons, Walmart, and Amazon Fresh lead here, revealing a higher focus on localized assortments.
- ➔ **"Home" and "Beauty & Personal Care" categories lead the distribution of private label products across retailers.** The focus on these categories

echoes a similar focus among national brands as well. These categories have the highest overall brand concentration, with around 4,000 brands each.

To download the entire report, click [here](#).

- **DataWeave Marketing**

29th Mar, 2019

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