

# Methodology: Quantitative Approaches

## An Online National Survey on Brands and Private Brands

The survey covered such topics as:

- Changing role and relevance of brands among other attributes
- Nature of brands and key components of a brand
- Evolving brand loyalty
- Perceptions of name brands and private brands across a range of factors / purchase criteria
- Dynamics of value and premium spaces for private brands
- Relationship and benefit flow between private brand and retailer
- A view to the future with respect to several spaces: pricing, attributes, innovation and the dynamics of brick-and-mortar vs. online environments
- High-level view of private brand dynamics in eight representative category types

## Methodology

- Fielded May 5–22, 2021
- **n=2,205 U.S. primary shoppers aged 18–75** (MOE  $\pm$ 2.1% at 95% confidence level)
- Respondents recruited as a nationally representative sample (balanced by age, gender, division, income, race/ethnicity and presence of children to match the 2021 Census Bureau Current Population Survey), then screened for shopping habits (50% or more of household shopping, shopped at least one qualifying Retailer in the past 3 months, and purchased food in the past 3 months)
- Readable samples include, plus other key demographics:
  - *Age cohorts:* n=216 Gen Z, n=493 Millennials, n=608 Gen X, n=888 Boomers
  - *Race/ethnicity:* n=1740 Caucasian, n=160 African American, n=250 Hispanic, n=237 Asian / Pacific Islander
  - *Health & Wellness segmentation:* n=288 Core consumers, n=444 Inner Mid-Level consumers, n=858 Outer Mid-Level Consumers, n=615 Periphery consumers

## Reading the Charts

### Main colors used:

- Total
- Name brands
- Private brands

### Segment colors used as bars and indicators of over-indexing segments:

- |                     |                        |                                   |
|---------------------|------------------------|-----------------------------------|
| ■ Male              | ■ Under \$35,000       | ■ No children in household        |
| ■ Female            | ■ \$35,000 to \$99,999 | ■ Children under 18 in households |
| ■ Gen Z 18-24       | ■ \$100,000 or more    | ■ Core                            |
| ■ Millennials 25-40 | ■ High school or less  | ■ Inner Mid-level                 |
| ■ Gen X 41-56       | ■ Some college         | ■ Outer Mid-level                 |
| ■ Boomers 57-75     | ■ College graduate     | ■ Periphery                       |
|                     | ■ Graduate school      |                                   |

Additional indications of differences as noted on individual pages.

# Methodology: Quantitative Approaches (continued)

## Category- and Brand-based Insights

In addition to overall attitudes and behaviors vis-à-vis brands, this report presents insights about:

### 1. Eight profiled categories, as well as an 8-category average that serves as a benchmark

In order to provide a view of how main name brand and private brand themes play out at the category level, eight categories were chosen as representative of a range of store departments, desired attributes and eating needs. Respondents were assigned to three of these that they currently use to respond to questions at the category level. The 8-category average is a straight average of results across these 8 categories, serving to provide an easy tool to assess which categories are over- or under-indexing compared to the rest.



### 2. Name brands versus private brands, as well as premium/organic/better-for-you vs. value tiers of private brands

Respondents were assigned to one brand that they use within each of the three categories to which they were assigned. For example, respondents were asked about “Chobani yogurt” or “Simple Truth condiments/dressings.”

Each brand was tagged as a name brand or private brand, and further as a value or premium/organic/better-for-you private brand, and responses were aggregated into these brand types for analysis.



**Chart titles and footnotes throughout the report provide guidance on the specific audience featured in each chart.**

**Some base sizes are shown in terms of the number of category or brand ratings, rather than the number of respondents.**

# Brands exist within a set of macro and micro cultural forces that interplay and affect consumer choices

Brands have traditionally been a powerful **system of influence** in consumer food culture.

Within this cultural system, the U.S. food industry has used brands to tell consumers what attributes (taste, quality, consistency) they could expect from their products. Post-WWII expansion and growth in the U.S. economy, population, and the reach of mass media set the stage for a new era in the American food and beverage marketplace. Spurred by the unprecedented opportunity to win consumers' attention and spending, manufacturers invested heavily in brands. In turn, **the U.S. food landscape became the birthplace and showcase for iconic food and beverage brands in a way that was distinctively American.**

As a stand-in for more detailed information about the attributes and benefits of products, brands gave companies a powerful way to communicate to consumers about their products at a time when consumers did not have many ways to get other information about the foods and beverages available to them.

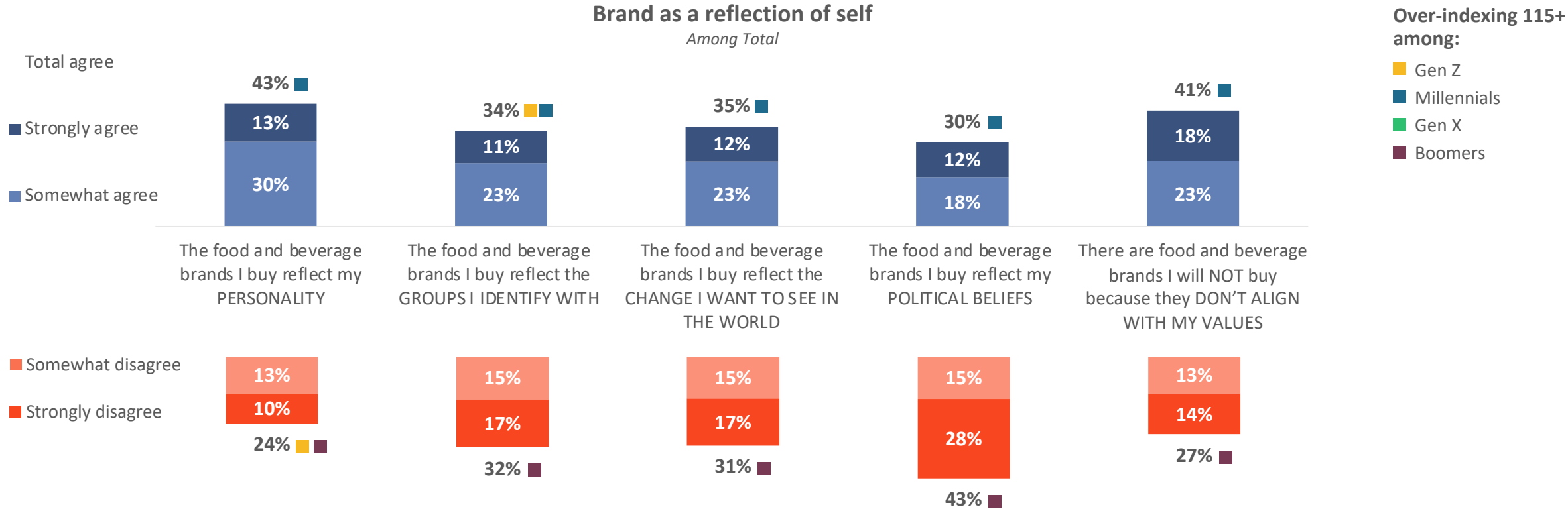
This situation created **brand dependency**—as consumers had to rely on brands (and branding) to guide their choices—and a **culture of brands** in American food life.



Sociocultural Trends	Systems of Influence	Cultural Values	Needs and Contexts	Food Behaviors and Habits
<p>The social, political and economic forces reflected in:</p> <ul style="list-style-type: none"> <li>• Who we are</li> <li>• What we do</li> <li>• Where we live</li> <li>• What we value</li> <li>• How we connect</li> </ul>	<p>The networks of influence through which consumers gain knowledge and understandings, such as:</p> <ul style="list-style-type: none"> <li>• Traditional media</li> <li>• Social media</li> <li>• <b>Brands/Banners</b></li> <li>• Experts (doctors, dietitians, chefs...)</li> <li>• Social networks</li> </ul>	<p>The values and beliefs (determined by macro forces of trends and systems) that shape behavior, such as:</p> <ul style="list-style-type: none"> <li>• What is considered healthy</li> <li>• What is considered quality</li> <li>• What is considered authentic</li> </ul>	<p>The needs and considerations that frame decisions around what to eat, when and why, such as:</p> <ul style="list-style-type: none"> <li>• How am I feeling?</li> <li>• What am I craving?</li> <li>• What is available?</li> <li>• Who else needs to eat?</li> </ul>	<p>How consumers and households source food and beverages, such as:</p> <ul style="list-style-type: none"> <li>• Shopping</li> <li>• Preparing</li> <li>• Cooking</li> <li>• Eating</li> <li>• Drinking</li> </ul>

# Today's consumers are ambivalent about whether their food and beverage brand choices are reflective of who they are or how they want others to perceive them

While consumers may have a propensity to make a statement about themselves through their choices of brands in other types of products (cars, clothing, jewelry, luxury goods), when it comes to foods and beverages their attitudes are different. They do connect brands they use to their personality to some degree, but they see brands as separate from their political views. That said, 4 in 10 will shun a brand if they learn some aspect of the provider goes against the values they hold.



B9. Please indicate how strongly you agree or disagree with each of the following statements. (Select one per statement) Base: Total n=2205, Gen Z n=216, Millennials n=493, Gen X n=608, Boomers n=888.

## When consumers describe what it means to deliver “good value,” they express this evaluation in similar ways for both name brand and private brand products

“A **good value** first and foremost has to have a **decent price**. I just want something that's comparable to what's being sold in that category. And a **good value** would be something that has a **different taste** than other items in the same category.” – Luis C., M, 27

“It's getting something that is **not a lot of money**, but it's **good**. It has to taste good. It has to perform at the level you want it to perform, which is it has to fill me up. And it's a **good bang for the buck**.” – Laura A., F, 58

“A **good value**, it's **not just price**. It has to be **something that is good quality at a reasonable price**. I will definitely spend more for something that is a better product so that could be value. It's not necessarily price.” – Walter H., M, 63

“[A **good value**] has the **flavor that I'm looking for** and it's going to provide the **function that I need**. It's going to be at **the right price**. And it's just going to be a straightforward product. It's not going to make promises that it's going to make me a cook or chef.” – Nelly L., F, 53



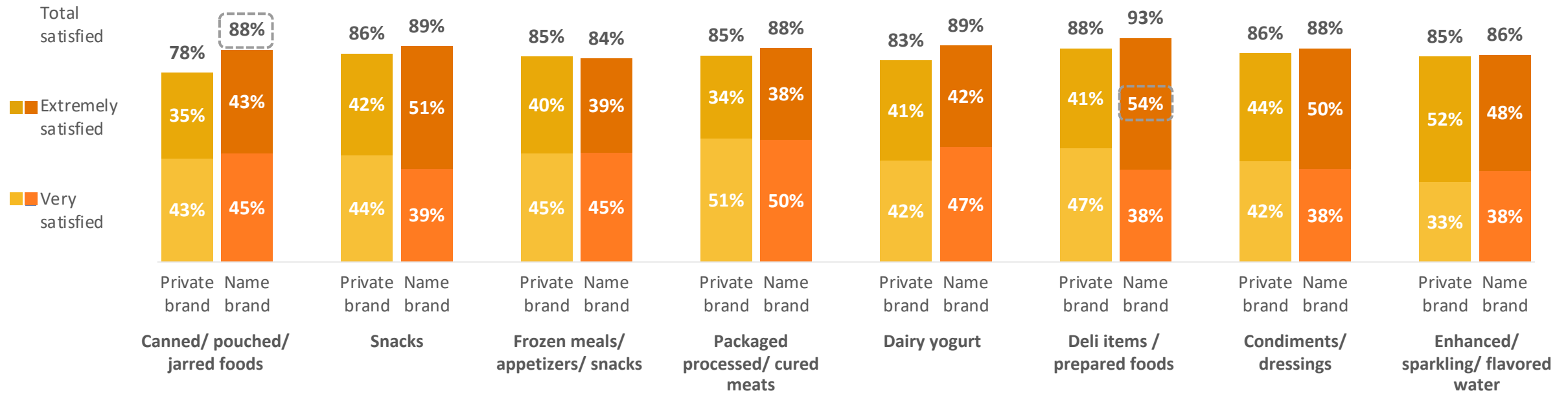
“I see that some places only charge \$1.99 for a dozen eggs because look at how that flippin' chicken was treated. So, you're **not really getting a good value** even though it's cheaper because of the agony and suffering behind that \$1.99.” – Amy R., F, 60

# Across categories, consumers are highly satisfied with both name brands and private brands

The only category where satisfaction with name brands is significantly higher is canned/pouched/jarred foods. While overall satisfaction with name and private brands is similar for most categories, “extreme” satisfaction with name brands is likely cultivated over years of positive experiences, particularly with snacks, deli items/prepared foods and condiments/dressings.

## Satisfaction with name brands vs. private brands

Among Brand type buyers within each category



Significantly higher than private brands

L0. How satisfied are you with the [BRAND] [CATEGORY] product(s) you buy? Base: Brand type buyers within each category n=291-338 ratings per brand type / category.

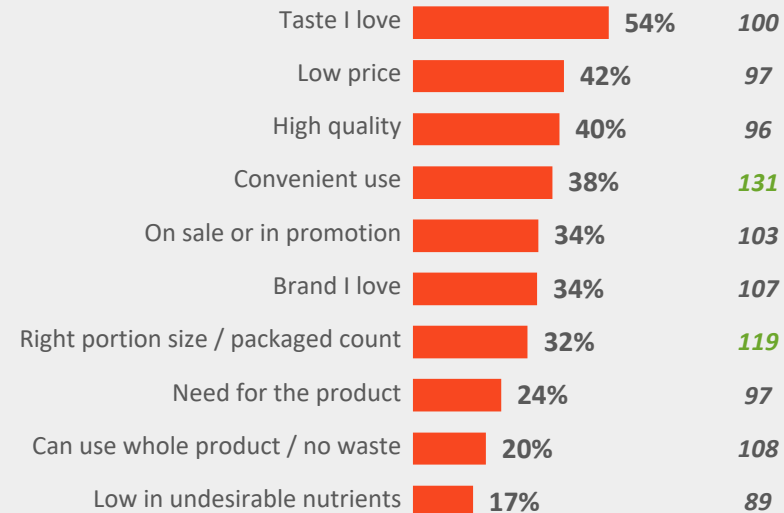
# Convenience is the key attraction of frozen meals, appetizers and snacks, and consumers look for products that best solve for this need

One important way in which convenience plays out in this category is portion sizes, with the right portions making it easier to prepare meals, manage leftovers and avoid waste. Beyond taste and quality barriers, consumers are less aware of the existence of or special offers for private brand options in this category, compared to others, suggesting opportunity for a more robust presence of private brand frozen products.

### Important overall selection criteria within FROZEN MEALS/APPETIZERS/SNACKS

Among Category buyers, Top 10

Indexed to Average\*



### Reasons for buying specific brands within FROZEN MEALS/APPETIZERS/SNACKS

Among Category buyers, Top 10

Reason	Name	Private
<b>Top 10 for each brand type:</b>		
Know the taste will be great	64%	50%
Quick/easy to prepare/consume	56%	45%
Provides a familiar taste	55%	43%
Trust this brand	53%	48%
Portions/sizes work for me	43%	40%
Often on sale	35%	42%
Get full use / minimal waste	26%	33%
Made with highest-quality ingredients	26%	35%
Large quantity for the price	24%	34%
Treat/reward	23%	37%

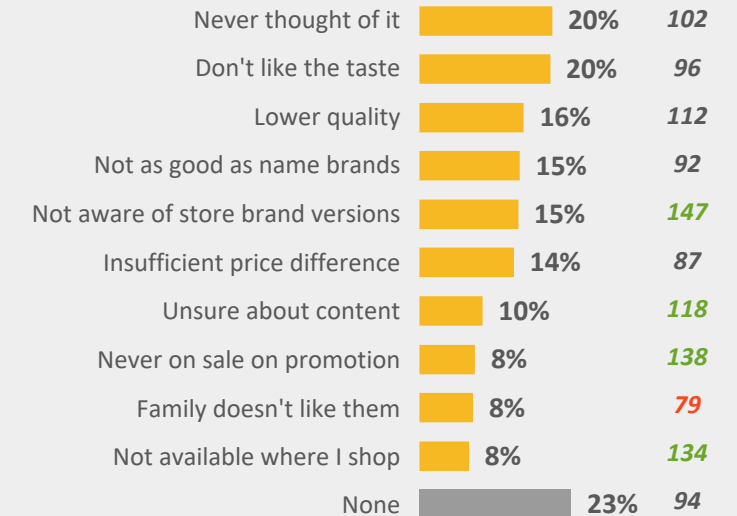
☐ Significantly higher than other type of brand (name/private).

Among less important reasons, private brands are significantly higher on: healthy nutrients, supporting dietary goals, made by great/fun company, frequent new products, socially responsible sourcing, takes me back to childhood, global/interesting flavors, story behind products, excitement/adventure, less processed, brand alignment with consumer, organic/natural, and supporting cooking skills.

### Barriers to private brand trial within FROZEN MEALS/APPETIZERS/SNACKS

Among Category buyers currently not purchasing private brands within the category, Top 10

Indexed to Average\*



B2. Think about the [CATEGORY] products you buy. When you choose which specific [CATEGORY] products to buy, which of the following are very important to you? (Select all that apply) Base: Frozen meals/appetizers/snacks ratings n=724. L3. Which of the following best describe(s) why you buy these particular [BRAND] [CATEGORY] products? (Select all that apply) Base – Frozen meals/appetizers/snacks: Name brands n=318, Private brands n=333. P8. For each of these [CATEGORY], why have you not purchased any STORE BRAND products? (Select all that apply) Base: Frozen meals/appetizers/snacks buyers currently not purchasing private brands within the category n=349.

\* Indexed to the average of 8 profile categories (Canned/pouched/jarred/Tetra Pak foods, Snacks, Frozen meals/appetizers/snacks, Packaged processed/cured meats, Dairy yogurt, Deli items / prepared foods, Condiments/dressings, and Enhanced/sparkling/flavored water). Base for B2: n=5781 category ratings. Base for P8: n=2652 category ratings. Green = over-indexing 115+; Red = under-indexing 85 or less.