



# STORE BRANDS TO THE RESCUE

Leverage the power of private brands to provide lifestyle solutions to consumers seeking answers

BY DANA CVETAN



**Eating to stay healthy** and to manage weight and conditions like diabetes and high blood pressure requires more than remembering to pick up some spinach and apples the next time you go to the store.

Eating well also encompasses more than purchasing a fancy chunk of cheese or an artisan loaf of bread. Preparing a delicious meal for loved ones involves more than hunting down the sauerkraut because without it the kielbasa just wouldn't work.

Retailers who step in to help shoppers achieve their goals in these endeavors give themselves a new way to promote their store brands as solutions every step of the way.

"Retail shopping is not just transactional — it has become more interactive and personal. Consumers are seeking solutions at retail, not just products on a shelf, and they appreciate the value of store brands," says Nicole Peranick, senior director of global thought leadership/culinary for Daymon, a Stamford, Conn.-based global retail services company that specializes in private brands.

According to Daymon research, 81 percent of shoppers believe private brands understand their needs at least as well as, if not better than, national brands, Peranick says.

"One of the key insights from our research was consumers expect private brands to be a part of that store

experience. [Private brands have evolved to the point where the products are] actively delighting customers and connecting with them," Peranick says.

There's plenty of opportunity to take advantage of that perception, she explains. "A lot of white space still exists around the curation (creating, organizing and overseeing) of lifestyle solutions," she adds. "Stores are still organized for the most part around product categories, but consumers shop around solutions. We're advising retailers to lean on their private brands as the authority on helping shoppers identify what's right for them."

Based on its research findings, Daymon identified three strategies retailers can use to promote store brand products as "lifestyle solutions" in the store: solutions merchandising, in-aisle engagement and promotional narratives.

These strategies could help retailers elevate private brands to something much more differentiated and connected emotionally to shoppers, Peranick declares.

## SOLUTIONS MERCHANDISING

Solutions merchandising requires thinking about how to conveniently organize stores in a way that simplifies the shopping journey.

Shoppers have to be able to find things. No one can buy the store brands unless they know where to find them, Peranick points out.

“Organize around solutions,” she advises. “We’re seeing interesting applications of this around the globe.”

For example, Bilder & De Clercq in Amsterdam offers deconstructed meal kits. Essentially, its stores are organized around recipes. The retailer curates everything needed for the recipe in one place, mixing and matching fresh and center store items. “Private label,” says Peranick, “can be a real key force to bring that all together.”

Waitrose in the U.K. offers another interesting solution, Peranick relates. Its prepared foods section focuses on healthy curation, which is another benefit consumers are seeking. Packages of prepared foods are color-coded around calorie content. Blues have X number of calories, greens have X number of calories, and shoppers can easily mix and match items to accommodate their calorie needs.

Woonsocket, R.I.-based CVS Pharmacy, the retail division of CVS Health, last year redesigned stores around “Discovery Zones,” highlighting exclusive lines in a move Peranick calls the “next generation format.”

The CVS project also included adding new better-for-you food options, including 27 new items under its exclusive Gold Emblem Abound line, featuring health-focused products and beauty selections. Informational in-store signage helps customers discover new offerings.

This is a prime example of a retailer moving away from conventional, traditional categories to providing a true solution-based shopping experience, Peranick says.

On a slightly different track, ShopRite, a Wakefern Food Corp. retailer-owned cooperative based in Keasbey, N.J., employs a service-oriented solution to help shoppers, among other things, choose nutritious foods in its stores.

Since 2006, ShopRite’s in-store registered dietitian program has been providing shoppers in more than 140 ShopRite locations across the Northeastern U.S. with complimentary services such as one-on-one consultations, supermarket tours, support groups, weight management classes, kids’ and adults’ cooking classes, and in-store product samplings.

ShopRite’s dietitians also work with ShopRite chefs to host culinary workshop classes designed to inspire families to dine together more often. In addition, dietitians regularly partner with hospitals, doctors, libraries, schools, universities and not-for-profit organizations to conduct free workshops and seminars.

### IN-AISLE ENGAGEMENT

In-aisle engagement revolves around helping customers realize what’s important for them, Peranick says. “How can private brands be a curator in real time? Technology is a key approach to facilitate this process.”

Big box retailer Target’s Cartwheel smartphone app is a prime example, Peranick continues. Shoppers download the app, which uses beacon technology, and then upload their shopping lists to navigate the store. They can interact with Target in real time, not only to locate items, but also to take advantage of money-saving promotions.

Camp Hill, Pa.-based drugstore chain Rite Aid Corp. is doing some interesting work in its Over The Counter (OTC) department, which also engages with shoppers in real time through technology, Peranick adds.

“The vitamin and supplement area is so overwhelming; it’s hard for consumers to figure out what’s right for them,” she explains. In Los Angeles, select Rite Aids have digital kiosks near the pharmacy that allow shoppers to input the health issues with which they are dealing, and the kiosks populate a customized protocol.

## PLAYING ON EMOTIONS

### RETAILERS CAN USE THREE STRATEGIES TO CONNECT EMOTIONALLY TO SHOPPERS:



#### SOLUTIONS MERCHANDISING —

*Think about how to conveniently organize stores in a way that simplifies the shopping journey.*



#### IN-AISLE ENGAGEMENT —

*Help customers realize what’s important for them. Technology is a key approach to facilitate this process.*



#### PROMOTIONAL NARRATIVES —

*Unexpected moments can make shopping trips more meaningful. For example, Lidl conducts international total store campaigns that take shoppers on a journey throughout the store to find globally inspired products.*



“Help shoppers find those lifestyle solutions they’re looking for. This is definitely an interesting technology, especially in this climate, where consumers are actively trying to treat their own health issues,” Peranick says.

## PROMOTIONAL NARRATIVES

Unexpected moments can make a shopping trip more meaningful, Peranick says.

The U.K.’s Tesco had a campaign called “Food Love Stories:”

videos depicting people expressing their affection by making memorable meals for loved ones. Recipe curation was a component that acted to layer a narrative over products and brought an authenticity to them, Peranick relates.

One example was “Nana’s Magic Soup,” in which a grandmother caring for her beloved grandson made him the only dish that made him feel better when he was sick.

“Heartfelt story lines help to connect with shoppers, but you are also curating for those shoppers. Every emotional overlay [has the potential to] engage shoppers,” Peranick says.

Another narrative could revolve around popular world cuisines, she continues. “Retailers could incorporate a guided treasure hunt in the sense of helping consumers enjoy and understand world cuisines, which consumers are becoming more interested in,” she adds.

Arlington, Va.-based Lidl, which has about 50 U.S. stores, conducts international total store campaigns, taking shoppers on a journey throughout the store to find globally inspired products, she relates. Lidl’s Taste of Eastern Europe uses flyers and in-store signage to provide story lines and education around these products, encouraging customers to buy highlighted products.

ShopRite recently debuted its ShopRite Trading Co. store brand of premium, artisanal foods inspired by Asian, Indian, Greek and Latin cuisines. In-store signage and shelf tags inform shoppers about the new brand.

Providing a solid rationale for promoting store brand products in service of consumer goals is key to making these strategies work, Peranick says. Be aware that private brands are viewed as trusted partners, and that has a halo effect on the entire store, she points out.

“Elevate the relationship with shoppers [via the] specific needs you are meeting,” she says. “With this curation approach, we move toward generating incremental sales, building loyalty and [providing] differentiated, best-in-class private brand programs. Those are the approaches that are most successful these days, and will increase traffic; [providing the reasons why consumers] will shop in your store rather than somebody else’s.” **SB**