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Despite the crisis, half of the consumers still buy branded products

Despite the current economic situation, half of the consumers in the United Kingdom are still buying branded products. However, 44% of the consumers declare that they will purchase more private label products during the coming year. The choice between branded and private label products depends on the product category. Half of the consumers in the United Kingdom buy branded products, especially in the categories alcoholic drinks and personal hygiene. 24% buy private label products, particularly milk, frozen vegetables, or canned goods. Consumers in the United Kingdom consider that private label products offer a good price/quality ratio. This was evidenced by a survey conducted by InSites Consulting in Belgium, the Netherlands and the United Kingdom.

Half of the consumers continue to buy branded products

Despite the current economic situation, half of the consumers in the United Kingdom are still buying branded products. However, 44% of the consumers declare that they will purchase more private label products during the coming year. In Belgium and in the Netherlands, it's less than that; only 1 consumer out of 3 is making the same statement. Their choice between branded and private label products depends on the product category. Consumers opt for branded products for beverages and personal hygiene items in particular. Milk, frozen vegetables and canned goods are rather private label product categories.

"In product categories in which there are very strong brands, or in which the offer of private label products is scarce, like for example for beer, consumers mostly choose brand-name products. Also in the categories in which strong personal attachment is involved, as in personal hygiene products like toothpaste and shampoo, people pick brand-name products out of the shelves" says Steven Van Belleghem, Director Branding & Communication and Managing Partner at InSites Consulting. Half of the consumers in the United Kingdom (58%) are real brand-name product buyers. 6 out of 10 products they purchase are branded products. 11% are mostly private label buyers, out of 10 products purchased, less than 4 are brand-name products. In the Netherlands and in Belgium there are twice as many buyers of private label products, respectively 24% and 17%. A third of the consumers in the United Kingdom are undecided buyers and purchase a mix of both. This is especially true when it comes to purchasing biscuits, candy, cleaning products, dairy products, soft drinks and water.

Private label products = good price/quality ratio, branded products = innovative and genuine

6 out of 10 consumers in the United Kingdom think that private label products offer a good price/quality ratio. They are considered as cheap, but also good quality products. Branded products are seen rather as genuine and innovative.

"It is clear that branded products today strongly stand out through innovations and commitment compared to unbranded products", says Steven Van Belleghem, Director Branding & Communication and Managing Partner at InSites Consulting. "In other words, it is more than ever important for brand manufacturers to bank on these advantages and to continue investing in them. It's now, in these times of economic crisis, that the temptation is the highest for consumers to choose a cheaper alternative, unless brands continue to emphasize on innovation and a close relationship with consumers."

These survey data result from a market survey conducted by InSites Consulting in September 2008. In addition to a series of communication topics, it describes the purchase behaviour and position towards branded and private label products. In total, 900 consumers and 250 marketing professionals took part in this online survey, in Belgium, the Netherlands and the United Kingdom. The figures are representative of the Internet population of each country, according to age (18-65) and gender.

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