

Private Brands D.C. SUMMIT



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Le Méridien
Arlington, VA



THE VOICE OF FOOD RETAIL 



Private Brands
D.C. SUMMIT 

Delivering Health & Wellness with Private Brands

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Consumer value driver plate

Consumers are actively shaping and expanding the number of drivers they incorporate into their food purchasing decisions



- **Evolving value drivers** (Health & Wellness, Safety, Social Impact, Experience, and Transparency) as a group have become meaningful for a sizeable number of consumers.
- **Traditional value drivers** continue to be among the most important drivers of behavior.
- More consumers making purchase decisions based on the full plate—Traditional and Evolving value drivers combined—represents a **fundamental disruption of the value equation** for retailers and manufacturers.

Source: Deloitte Food Value Equation Survey 2015, Deloitte Analysis, Deloitte Industry Executive Interviews 2015

Consumer acceptance of private brands is high

As new products come into the mix they will need to be managed and marketed in an effort to deliver uniqueness and a competitive advantage, while meeting consumer needs.

One of these key shopper needs will be for products that deliver **health and wellness attributes**.

Understanding key shopper habits can help ensure private brand success

- Easy meal planning/recipes
- Affordability
- Health concerns
- Environmental concerns
- Transparency



Delivering Health & Wellness with Private Brands Report

Inside you will find:

- Key shopper habits
- Regulatory guardrails
- Strategic brand positioning tactics
- Marketing messages that matter
- Total store H&W integration
- Potential partnerships to build trust
- Future areas of focus



<https://www.fmi.org/industry-topics/health-wellness>



MEETING CONSUMER NEEDS



Center for
Food Retail Health
& Wellness

Consumption Patterns and Meal Occasions

- What's new for breakfast?
- Portable mid-day meals
- Family meals
- Snacks with benefits



Other consumer needs

- Affordability
- Fresh to go
- Organics
- Simple, clear ingredients
- Transparency



Opportunity

Individuals struggle to name specific food sources that could help with health issues. *IFIC, 2017*

- Communicate health attributes of private brands in educational wellness programming.

HEALTH TIP

Heart-Healthy Grocery List

Follow this advice and fill your cart with foods that are good for your ticker

When you go grocery shopping are you thinking about your heart or what you're going to make for dinner tonight? Chances are dinner prevails, but with a little planning, you can do both. Making lists—and sticking to it—is the best way to avoid nutritional land mines at the supermarket.

Use this heart healthy shopping list to get you started. Another tip: Look for products with the red and white heart check, which means they're certified by the American Heart Association.




Produce Section
This is the one area of the store where you don't need to hold back. Choose a variety to keep your taste buds satisfied. And opt for those rich in color on the inside and out; they tend to have more nutrients.

- Blueberries
- Broccoli
- Cabbage
- Spinach
-
-
-
-

Dairy Case
Select nonfat or 1 percent milk, and cheese and yogurt made from the same. Instead of butter, buy soft margarine with no grams trans fat.

- Nonfat milk
- Soft margarine
- Low-fat yogurt
-
-
-
-
-

Bakery
Fiber is good for the heart, so choose products with the most of it to get you to the recommended 25 grams per day. The quickest way to do that is to look for a whole grain as the first ingredient on the list. Whole wheat, oats, whole rye and buckwheat are a few to look for.

- Whole rye bread
- Whole wheat buns
-
-
-
-
-
-

Meat Counter
Stock up on fish, and aim to eat at least two servings a week. When buying poultry, opt for white meat. And look for the words "lean" or "round" on red meat and pork products. Trim excess fat from all meat before cooking.

- Chicken breasts
-
-
-
-
-
-
-

Dry, Canned and Frozen Foods
The biggest culprits here are sodium and saturated and trans fats. Check every label—even on "healthy" products. Aim to eat less than 1,500 mg of sodium a day. But don't shy away from canned or frozen fruits and vegetables. They're great to have in case you run out of fresh, and they're just as nutritious.

- Canned fruit (in water or natural juices)
- Frozen vegetables
- Low-sodium soup
-
-
-
-
-






PRIVATE BRAND HEALTH & WELLNESS PROGRAMMING & PROMOTIONS

Marketing Messages that Matter

The goal is to provide communication tactics that help create a dedicated following to your private brands while establishing your store as a credible and reliable source of healthy products and wellness resources.

This process can be achieved by implementing “educational selling” practices that deliver the information shoppers need to make informed and confident food choices.

Consumer Insights

- Confused about how to make healthy food choices.
- Like to choose products they are familiar with.
- The importance of sustainability is on the rise.
- Preference for products with no artificial ingredients.
- Weight loss, energy, & brain function rank as top benefits wanted from food.
- Concerned about added sugars.
- Nutrients viewed as healthy. vitamin D; fiber; whole grains; plant proteins; omega 3's; probiotic/prebiotics



International Food Information Council (IFIC) Foundation's Food and Health Survey, 2018.

Consumers have a high level of trust in Registered Dietitian Nutritionists, IFIC, 2018

Developing food products and nutrition guidance that helps manage disease requires the use of science-based information provided by a trained health professional.

- Part of your private brand team
- Understand goals to offer support
- Educational selling to drive sales
- Link private brands to shopper's personalized wellness goals.



Integrate with Total Store H&W Programming

Provide content marketing that builds trust and rapport and sustained brand loyalty.

- Health themes based on consumer trends
- Seasonal behaviors



Best Practice Example

Weis Markets *Plant Powered*

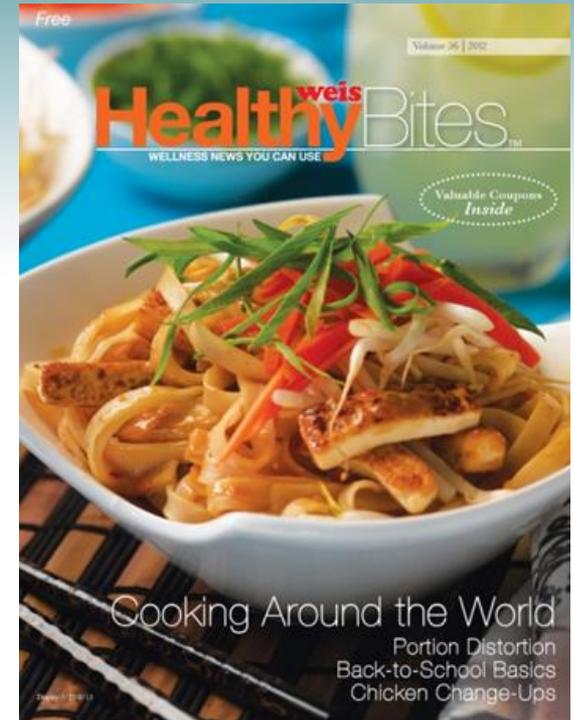
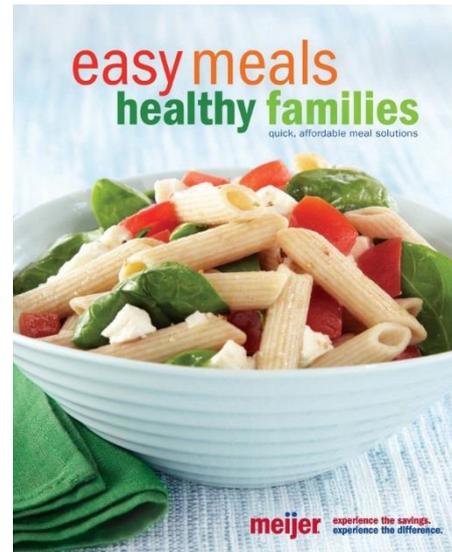
- Identifies a variety of healthy plant-based foods
- Special signage calls out certain Weis Quality and Weis Signature Collection and Full Circle products, as well as select national brands.
- Identified by Weis Markets' RDNs
- Feature products across all depts



Meal Plans and Recipes

Incorporate private brand products in all:

- recipes
- meal plans
- cooking classes
- Demos



Social Media and Web

- Recipe videos and product usage tips
- Interactive contests
- Share an inspirational story
- Use photos to spark interest
- Social posts that drive sales
 - Recipe or menu link
 - Announce in-store demo schedule
 - Offer a special diet shopping list



Best Practice Example

ShopRite's "Real.Smart.Snacks." wellness campaign with private brand solutions for "Well Everyday Summer Snacking":



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Community Outreach

- Sponsor a local women's show cooking stage and provide healthy recipe demos.
- Provide coupons for your healthier private brands at the local fitness center.
- Write an article for wellness newsletters of local businesses or have your dietitian present a lunch and learn nutrition session.
- Church young mom groups and are looking for speakers on easy, healthy food preparation. Promote your private brands, home delivery, or pick up services.
- Research the opportunities in your community for having a booth at a food focused festival. (i.e.: VegFest)



Build a Bridge to Pharmacy

- Diabetes-friendly meal plan and private brand shopping list
- Heart-healthy private brand recipes
- Coupons for private brand products that promote digestive health



Print and Digital Ads

OPA!
Celebrate Mediterranean Flavor with these Fresh Thyme products!

NEW

WHITE PITA
BEEF GYRO WITH LAMB
MULTIGRAIN
CLASSIC

Easy meals for
Simple step-by-step cooking technique

Wegmans Ready To Cook Cedar Plank Farm-Raised Salmon with Brown Sugar & Cracked Pepper Blend \$8.00

Asparagus 1.99/lb.

Wegmans Farm-Raised Atlantic Salmon Portions \$6.99/lb. Sold in 2lb. bag. 13.98

Wegmans Food You Feel Good About Cleaned & Cut Sliced Baby Bella Mushrooms 2 for 4.00

Have a guilt-free summer with Guiding Stars®!

Follow the stars for summer favorites you can feel good about. Look for 1, 2 and 3-star ratings on the shelf to find products with higher nutritional value. Available exclusively at your neighborhood HERRNSTADT.

3 Oz. Bag Nature's Place Organic Avocados 4.99

48 Oz. Pkg. - Frozen Hannaford Tilapia Fillets 9.99

910 Oz. Pkg. - Select Varieties Family Farms Veggie Burgers 3.99

No Antibiotics, Growth Hormones, Mitigators or Nitrites Ever! Nature's Place Roast Beef 11.49

Four Star Beef Association Practices Fresh Farm Raised Atlantic Salmon Steak 9.99

Fresh From OUR Ovens - 14 Oz. Nature's Place Organic Rosemary & Olive Oil Loaf 4.99

COBORN'S

organic & natural

Gluten Free Item Of The Week

2.48 Full Circle Organic Chia Seed Protein

2.50 Blue Diamond Nut-Thins

3.68 Maximum Nutrition

2.50 The Mountain Valley Water

My Shopping List

add your own items

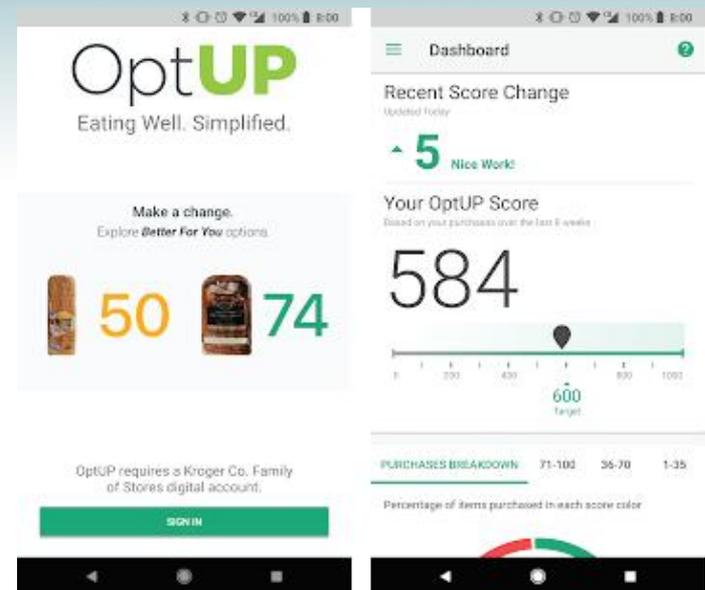
You have 0 items on your list.

OVER 100 DIGITAL COUPONS OVER \$100 IN SAVINGS

more rebates GET STARTED

On-line Shopping and Home Delivery

- Add health attribute tags to online shopping environment
- Provide personalized product recommendations
- Link to Q & A from your team of dietitians
- Partner with commodity groups for seasonal digital recipes
- Include a seasonal health-themed newsletter insert with grocery delivery



In-store Merchandising

- Include private brands in: Dept meal merchandising efforts & healthy checkouts
- Merchandise by meal occasion, diet or season
- Promote nutritional attributes of interest
- Make store associates advocates for your healthier private brand products

Our **NEW LABELS** throughout the store highlight **NUTRITIONAL BENEFITS OF FOOD**

SUGAR AWARE - used in special categories to identify products with 6 g or less total sugar

GOOD SOURCE OF CALCIUM - 100 mg or more calcium

LOW CALORIE - 40 calories or less (except main dish or meal products)

LOW SATURATED FAT - 1 gram or less saturated fat & less than 15% calories from saturated fat

ORGANIC - certified 95% + Organic by industry standards

LOW SODIUM - 140 mg or less sodium

HEART HEALTHY - low fat, low saturated fat, low cholesterol & 480 mg or less sodium

WHOLE GRAIN - other than water, whole grain is the first ingredient listed

HIGH FIBER - 2.5 g or more dietary fiber & 3 g or less total fat

GLUTEN FREE - identified by manufacturer as gluten free

Pick up a brochure at the Customer Service counter

Attributes are based on information provided by the manufacturer's package based on the date of origin and volume, or on serving size and Recommended Amount (RACC), as well as guidance provided by the U.S. Food and Drug Administration. See Nutrition Facts panel for specific information on sodium.

Best Practice Example

Coborn's dietitians select a private brand "Dietitian's Choice Product of the Month" for their employees which they promote on their intranet.

- Employees receive 10% off private brand products
- Engage with Coborn's healthier private brand products
- Share their enthusiasm with shoppers
- Include healthier private label products breakroom store



Certifications and Licensing



A close-up photograph of a person's hand gripping the black handle of a shopping cart. The cart is filled with several boxes of cereal. The most prominent box is 'Guaranteed VALUE' brand, which is 'gold raisin bran cereal'. The box features a scissors icon and the text 'WHEAT BRAN CEREAL WITH RAISINS'. Other boxes in the cart include 'gold' and 'raisin bran cereal'. The background is blurred, showing a grocery store aisle. A semi-transparent blue and green gradient overlay covers the bottom half of the image.

CURRENT CONSIDERATIONS & FUTURE FOCUS

Regulatory Guardrails

Nutrition Facts Panel

- Changes in the Daily Value amounts may impact Nutrient Content Claims.

Defining a Healthy Food

Defining Natural

Bioengineered Foods

Partner with health professional to communicate meaningful messages and provide guidance.



Nutrition Facts	
8 servings per container	
Serving size	2/3 cup (55g)
Amount per serving	
Calories	230
%	
Total Fat 8g 12%	
Saturated Fat 1g 5%	
Trans Fat 0g	
Cholesterol 0mg 0%	
Sodium 160mg 7%	
Total Carbohydrate 37g 12%	
Dietary Fiber 4g 14%	
Total Sugars 12g	
Includes 10g Added Sugars 20%	
Protein 3g	
Vitamin D 2mcg 10%	
Calcium 260mg 20%	
Iron 8mg 45%	
Potassium 235mg 6%	
<small>* The % Daily Value (DV) tells you how much a nutrient in a serving of food contributes to a daily diet. 2,000 calories a day is used for general nutrition advice.</small>	



Regulatory Guardrails

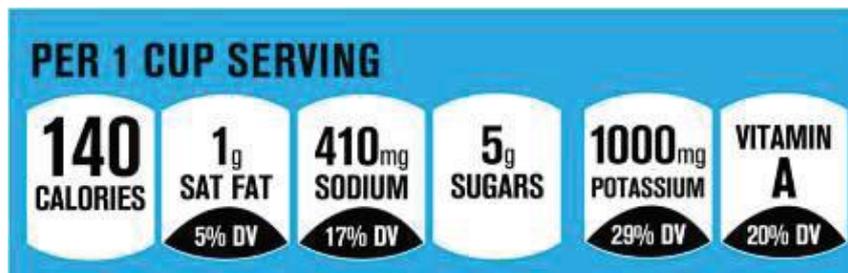
Health Claims

Authorized, Qualified and Nutrient Content Claims

Certifications



Packaging



Strategic Brand Positioning

The goal is to identify and secure a marketing niche for health and wellness with your private brand products. To do this you can use a variety of strategies including packaging, product attributes or consumer awareness and engagement strategies.

The promise, value and story your brands deliver must come together with your customer needs.

Targeting Customers

- **Baby Boomers & Gen X – want to age well**
 - Health optimization; gut; heart; brain; joints; energy/alertness; diabetes
- **Millennials – desire personal & environmental health**
 - Fresh; natural; sustainable; healthy; meal ideas; transparency
- **Generation Z – all is linked to technology**
 - Organics; health; embrace alternative delivery options; global flavors



Industry Competition

- **New store formats and focus**
 - Focus on younger shoppers
 - Differentiate by offering fresher/healthier products
 - Expanding total store private brand better-for-you options
- **Relevance**
 - Packaging
 - Sustainability efforts
 - Meal ideas/Snacks
 - Natural ingredients
 - Fresh solutions

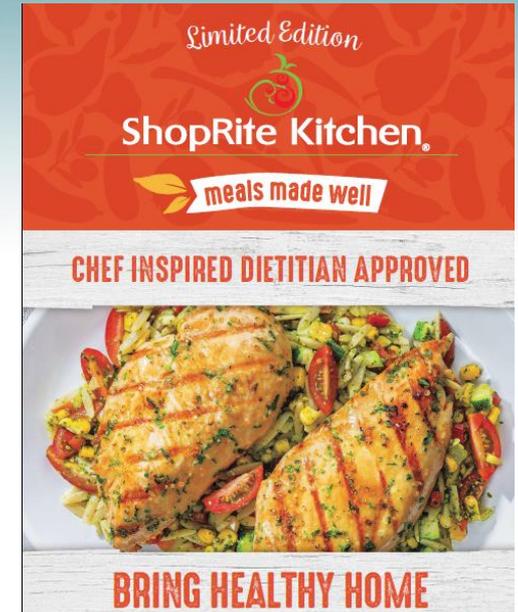


Innovation & Differentiation



Frozen Food You Feel Good About Just Picked products.

Quick
Assembly
Recipe Ideas



Healthy Snack Packs



Heat & Eat Meals

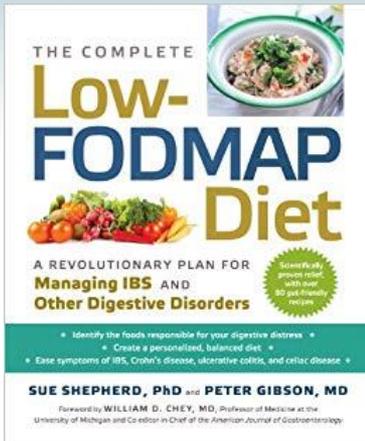
Reasons to Believe/Credibility



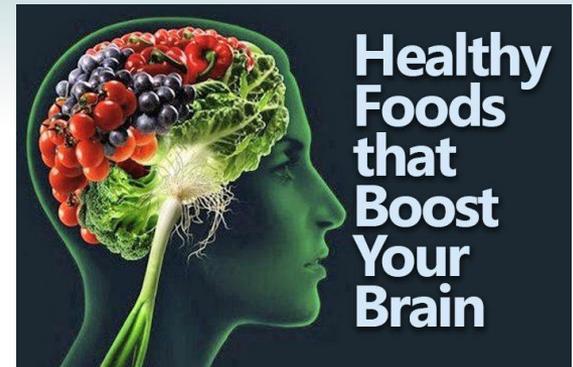
- **Be accessible**
 - Kroger Nutrition Techs
- **Credibility with expertise**
 - Dietitians ensure messages are right for your target market and content to shine a light on the health attributes of your private brands
- **Offer interactive shopping experiences**
 - Healthy food apps; healthy meal prep; fast fuel snacking station
- **Make wellness personal**
 - Well Everyday at ShopRite - solutions provided by dietitians that are realistic, nonjudgmental, affordable and approachable

Future Focus

Pay attention to wellness trends



Low Fodmap Foods
Brain Health
Plant Proteins



Mediterranean Eating Patterns



Gut Health



Environmental Health & Sustainability

- Sustainable packaging
- Sourcing
- Recyclability
- Transparency
- Biotechnology
- Responsibly grown programs
 - Care of the land
 - Workers
 - Animals
 - Waste reduction efforts



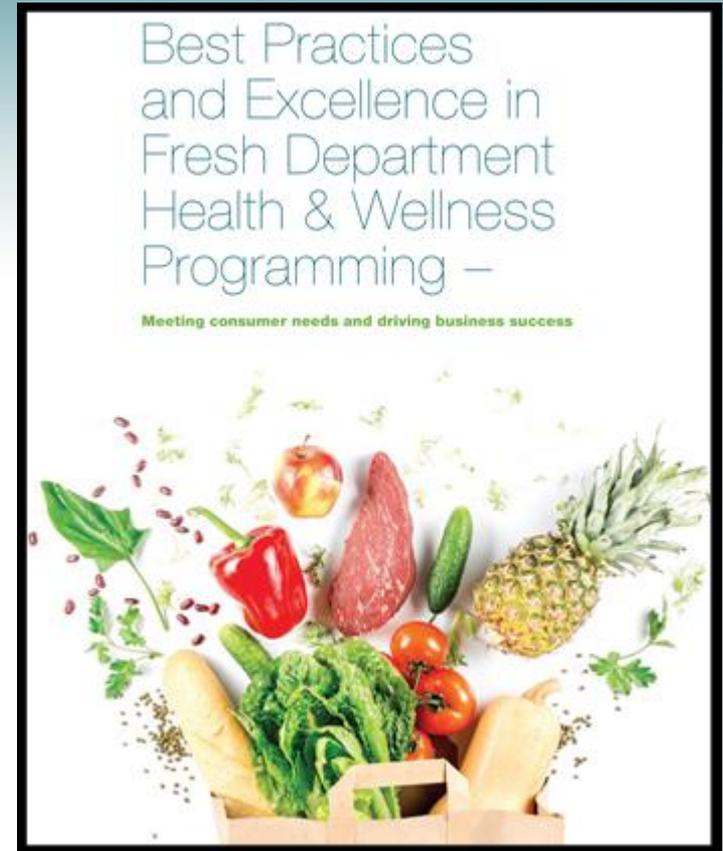
Participate in the Digital Revolution

- Using apps to find healthy ingredients
- Self scanning programs
 - Private brand communication – personalized updates; meal ideas, product recommendations
- Wellness solutions linked to activity trackers
 - Coupons, rewards, personalized shopping list
 - Kroger OptUP app – trade up to better choices



Store Formats/Global Flavors/Fresh

- On-line shoppers will want smaller, limited selection stores with an abundance of fresh-prepared food choices, another opportunity for private brands.
- Diverse population will be looking for global flavors
- Offer engaging experiences
- Guidance with private brand vitamins and supplements as part of total wellness



Health & Wellness with Private Brands

Retailers offering superior private brand products with the health attributes shoppers desire will increase the ability to drive traffic to their stores. And although health and wellness is a key product differentiator now, it may soon become “table stakes” for most food products in the future.



Delivering Health & Wellness with Private Brands

Thank you



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