Driven by war and inflation, Private Labels have began to grow again in the first quarter of 2022

IPLC estimate in excess of 250 billion euros of Private Label revenues in Europe
An indispensable driver for Italian companies' exports

The previews of the IRi report and the IPLC Italia Focus, presented at Marca by BolognaFiere on 13 April

Bologna, 12 April 2022 – **In the first quarter of 2022 Private Labels began to grow again** at a faster pace than the overall market (+2.7% vs. +1.6%) and increasing their market share, in spite of higher average inflation levels (2.3%).

This news is revealed in the **18th Marca by BolognaFiere Report compiled by IRi-Information Resources**, which will be presented at the Bologna Exhibition Centre on **Wednesday 13 April** at 10am, during the 18th edition of **Marca by BolognaFiere**. Organized by BolognaFiere in collaboration with **ADM** (the Italian Grocery Retail Association), Marca by BolognaFiere is the **only Italian fair specifically for commercial brands** and represents not only a significant showcase (five exhibition halls) for Private Label products of Italian excellence, but also the **chosen venue for the presentation and discussion of data and trends concerning the sector.**

The main finding of the Report, based on evidence gathered by **IRi Liquid Data™** up to 20 March 2022, taking into account hypermarkets, supermarkets and Small Free Service retail, is that the current year has **begun with an element of discontinuity, i.e. with a plus sign** compared to what was observed in 2021.

The sector's response to the rise in price lists has been **to cut promotional pressure**, which in the Private Label sector is - 1.7 points, without triggering any effect on volumes (+1.0%).

Private Labels therefore continue to grow despite the setback linked mainly to the March-May 2021 period.
After an extraordinary 2020, in which **Private Labels** reached and exceeded a 20% share, reaching €11.8 billion in sales of consumer packaged goods, **2021** concluded with total sales of **€11.7 billion** (-0.9%) and a **market share of 19.8%** (-0.3 points compared to the previous year).
The March-May 2021 quarter was penalised by the comparison with the lockdown period of 2020, when travel and mobility restrictions, the consequent re-evaluation of local shops and services, reduced promotional pressure and procurement difficulties produced an environment particularly favourable to the performance of the Private Labels.
It should be noted that, despite this downturn, turnover in 2021 was still +**9.0% higher than in 2019**, and the **assortment share reached 15%,** up **0.3 points** on the pre-pandemic year.

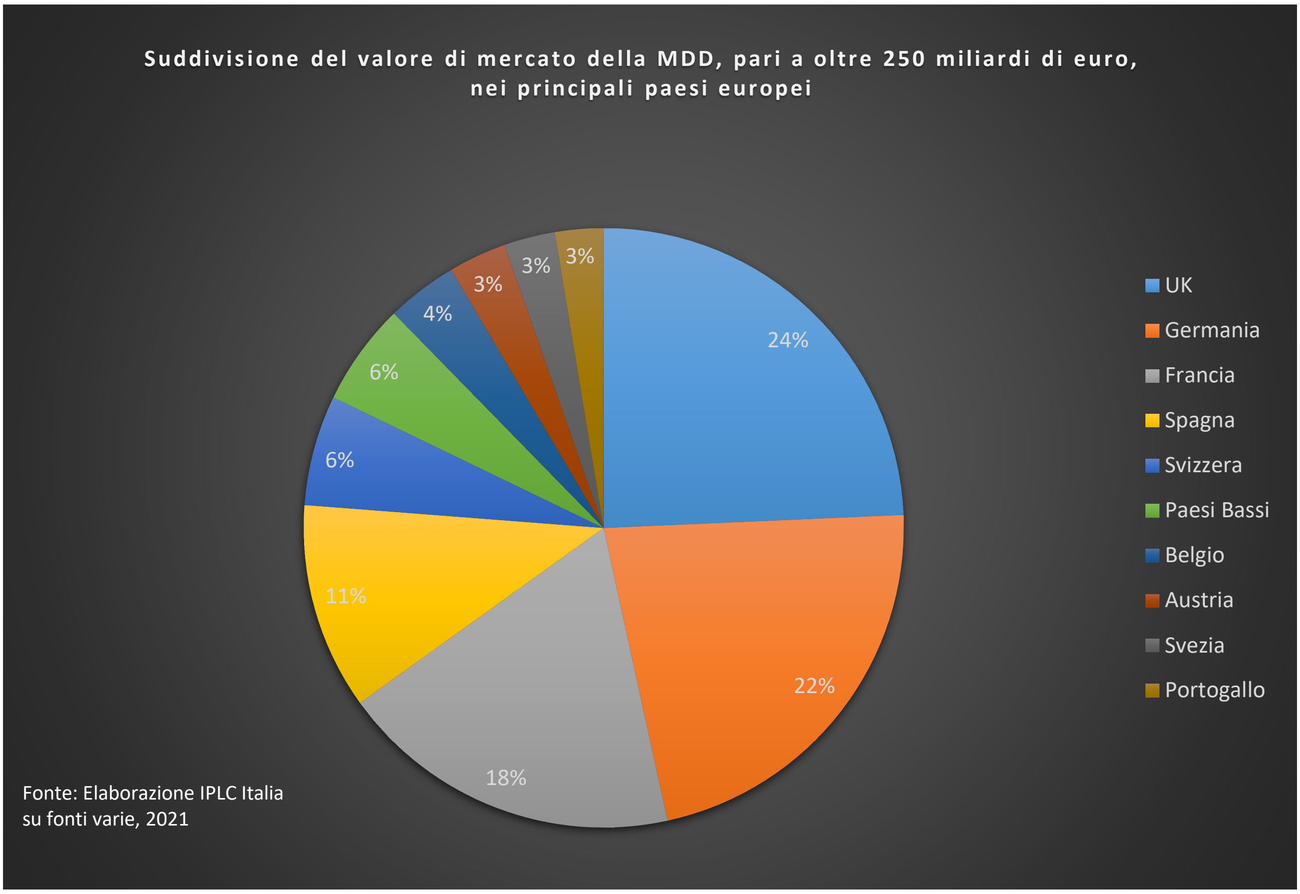
The Report also shows that **specialised and high added value lines** continued to **perform well** in 2021: **Premium** products recorded growth of +13.6% and **Functional** products of +6.0%. On the other hand, the development of **Organic** products is **slowing** down and, after having closed 2020 with growth of +6.8%, is now +1.5%.
The segment of **Retail Group's own brands**, the most important for Private Labels (it accounts for 69.9% of total turnover), contracted by -3.2% in the year just ended, but revenue levels were, nonetheless, higher

than in 2019, with growth of +5.3%.
During the same conference, the perspective will be widened to include the international context with **IPLC, The Retailer Brand Specialists**, which will take stock of Private Labels in a changing Europe and how Private Labels interprets the role of the “brand”. The overview of the Old Continent, the focus on the **Iberian peninsula** and the testimony of the **United Kingdom** will confirm retailers’ **many successful experiences and practices** in Europe at all levels of supply and innovation.

In the **last two years**, **Private Label products** have been the protagonists of a **widespread growth in all continents** and for producers Private Labels are now synonymous with an extraordinary and increasingly **indispensable lever for entering new markets and expanding exports** in an effective and cost-effective way, by creating Private Label products in partnership with large Grocery Retail companies at every latitude.

But much more can be done. The estimate recently elaborated by IPLC Italia exclusively for Marca by BolognaFiere indicates that the **market value of Private Label products** in the main European countries is **over 250 billion euros in the consumer packaged goods sector**, including the various business models and retail channels. The incidence on this value of the three main countries is 24% for the UK, 22% for Germany and 18% for France. The share of Private Labels is related to the concentration of Grocery Retail trade. In each of these three countries, the top three retailers have a market share of more than 50%.

In Europe, this value is increasing in **almost all product categories** and Private Label products are present in **all product segmentations**, from premium to first price, organic to gluten-free and vegetarian products.



(Breakdown of the value of the Private Label market – worth over 250 billion euros – in the main European markets: UK, Germany, France, Spain, Switzerland, Netherlands, Belgium, Austria, Sweden, Portugal.
Source: IPLC Italia from various 2021 sources)

The conference **programme** can be found at this link.

To take part you will need to **register** on the Marca by BolognaFiere website at the link: https://www.marca.bolognafiere.it/eventi/registrazione-agli-eventi/1816.html.

All the information about the 2022 edition can be found at: www.marca.bolognafiere.it.

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