

## The power of the private label

In Latin America, as in the rest of the world, we see a complex picture of a retail market adjusting to inflationary pressures and new consumer behaviours. Many households are carefully reconsidering their spending habits, and switching to discounters and private labels (PLs).

How to configure this space so that traditional brands continue to have their presence while retailers advance in Latin shoppers' preference?



### Growing shopping occasions

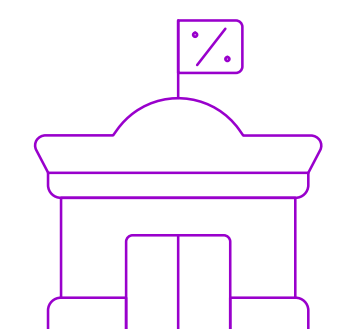
Occasions in Latam  
**16%** PLs vs. **7%** total FMCG brands

Personal Care (Beauty & Grooming) drives volume  
**14%** growth vs. its **5%** size for the PLs market.

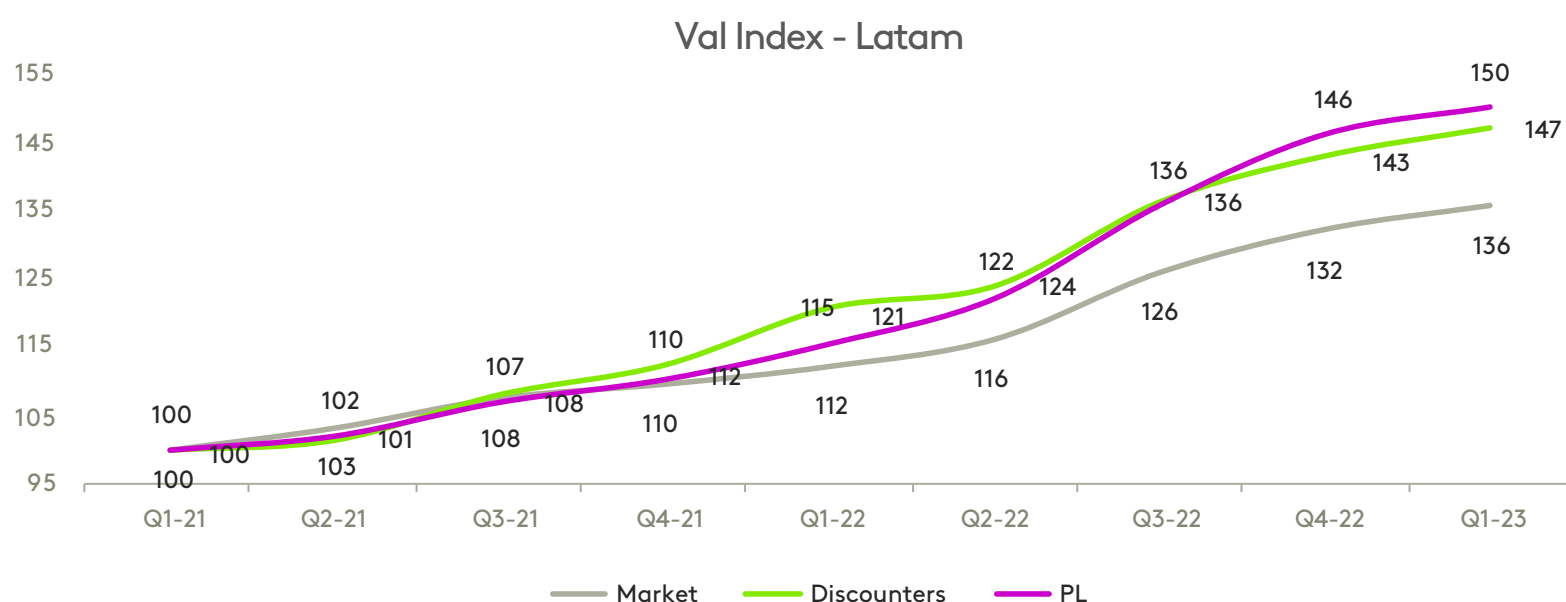
Which channels are responsible for developing retailer brands?

### Discounter's leading role

Discounters are the **first** thing that comes to mind when we talk about PLs.



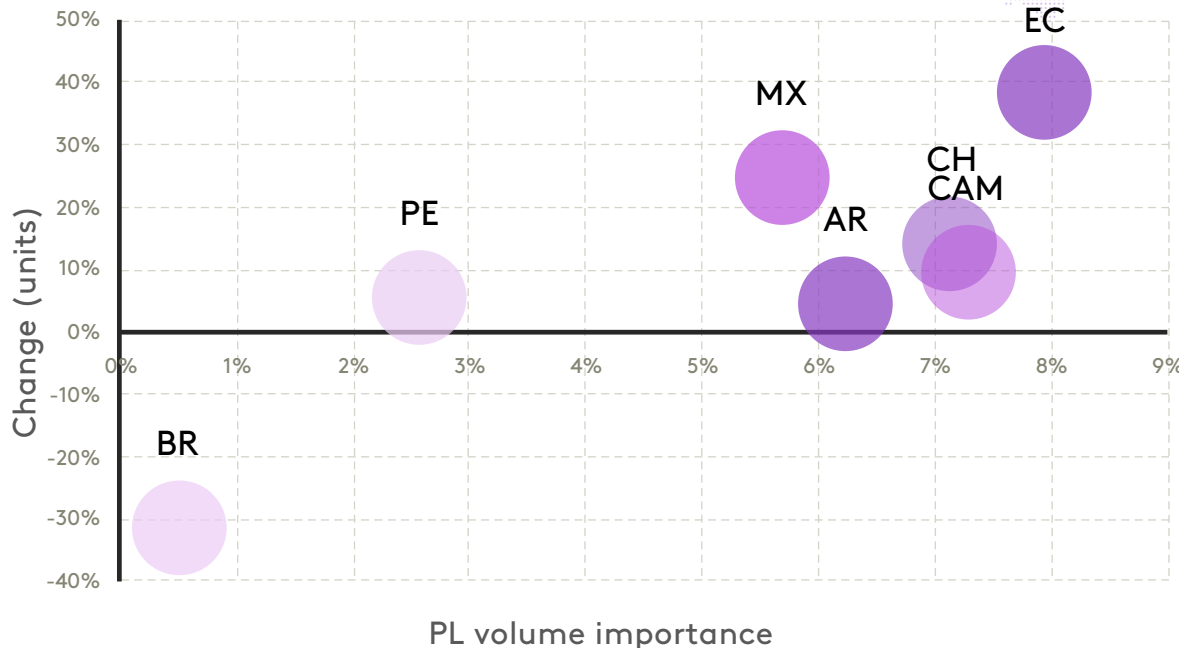
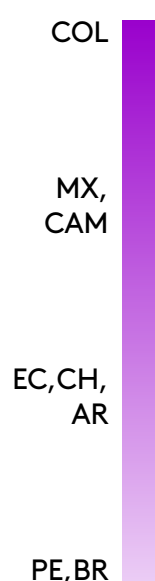
Discounters accounted for **54%** of the growth of PLs in Latam last year.



### Discounter's leadign role

Because of the development of the Discounter channel, we see it growing, alongside PLs, at a much higher pace than the total FMCG market.

### Discounter importance per country



PLs growing in **Ecuador**, while Discounters are gaining relevance

Country	Change (units)	PL volume importance
COL	26%	-1%

### How are we compared to the world?

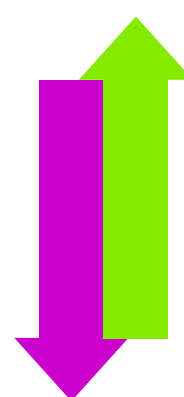


In **Europe**, PLs represent **41%** of the FMCG market volume.

### What other channels are wagering on PLs?



**Supermarkets in Ecuador**  
**One-third** of the PLs volume **-7%** units last year



**Pharmacies in Peru**  
**5%** of the PLs volume (vs 1% T. Market) **+72%** units last year



Although PLs still represent a small portion within the shopping channels, the challenge for traditional brands is to ensure their presence at Discounters, as inflation is rampant. On the other hand, the products belonging to distribution chains are on the rise in this large-scale growth and may be susceptible to negative changes in more established channels.

Shopping is not just about price; the perceived quality and innovation play an important role, and we can help your brand understand the right place to be in the spotlight.



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