

56% of shoppers consider brands a “luxury”

Submitted by: Optimisa PLC

Tuesday, 7 April 2009

Branded goods are set to suffer as 56% of shoppers agreed that they were a luxury when trying to keep grocery costs down, according to figures released by Buckingham Research (<http://www.buckingham-research.com/home.htm>) today.

The online panel survey, conducted by market research agency Buckingham Research, asked a total of 597 respondents a series of questions comparing branded products with supermarket own-label offerings, including whether or not they considered branded goods a luxury when trying to keep costs down. Only 13% disagreed while 31% neither agreed nor disagreed.

A third of those asked (34%) agreed that branded products taste better than supermarket own-label goods, with 20% in disagreement. However when asked about value for money, 49% agreed that branded goods offer less value for money than own-label items, with 19% in disagreement.

The research also examined which products were likely to be affected:

- 37% stated that they would be buying fewer branded ice cream products over the next 12 months
- 36% said they would spend less on branded confectionery, alcoholic drinks, cakes and biscuits
- Pet food seems likely to suffer least as only 10% said they would buy less branded goods in the year ahead
- Organic and fair-trade goods are also likely to suffer, with 58% and 41% of consumers saying they were less likely to purchase these items over the next 12 months respectively

Tim Sheard, Research Director at Buckingham Research, commented on the results: “Brands are likely to feel the pinch in this recession as shoppers focus increasingly on price and value for money. But the fact that a third of shoppers believe that branded products taste better shows that there is still promise. The key for brands will be identifying what makes customers tick and ensuring that the messages they send out resonate with shoppers.”

---ENDS---

---NOTES FOR EDITORS---

Buckingham Research (<http://www.buckingham-research.com/home.htm>) is a market research agency, providing a wide range of research and data modelling solutions. Its clients are world class organisations with whom it has built strong and enduring relationships, based on an individual approach combined with the application of clever tools and techniques. Buckingham Research is an Optimisa plc (<http://www.optimisapl.com>) company.

---CONTACT---

Caroline Dundas
Group Marketing Communications Executive

020 7960 3300
caroline.dundas@optimisapl.com