

The Next Private Label Frontier

How Retailers Can Win in Non-Food Categories

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1 Rethinking Private Label: Beyond Price and Pantry

For decades, private label products were mostly synonymous with budget-friendly pantry staples and generic household items. That stigma has faded: Today's private labels are not just about low prices, but about quality and more and more often also about identity. Discount grocers have long been known for selling private label products that imitate popular brands' look and functionality—and this has only fed the consumer mindset that you can "get the same for less", constantly looking for the best value for money. Shoppers have learned that many private label brands can **match or even exceed national brands on quality**, erasing the old perception gap.

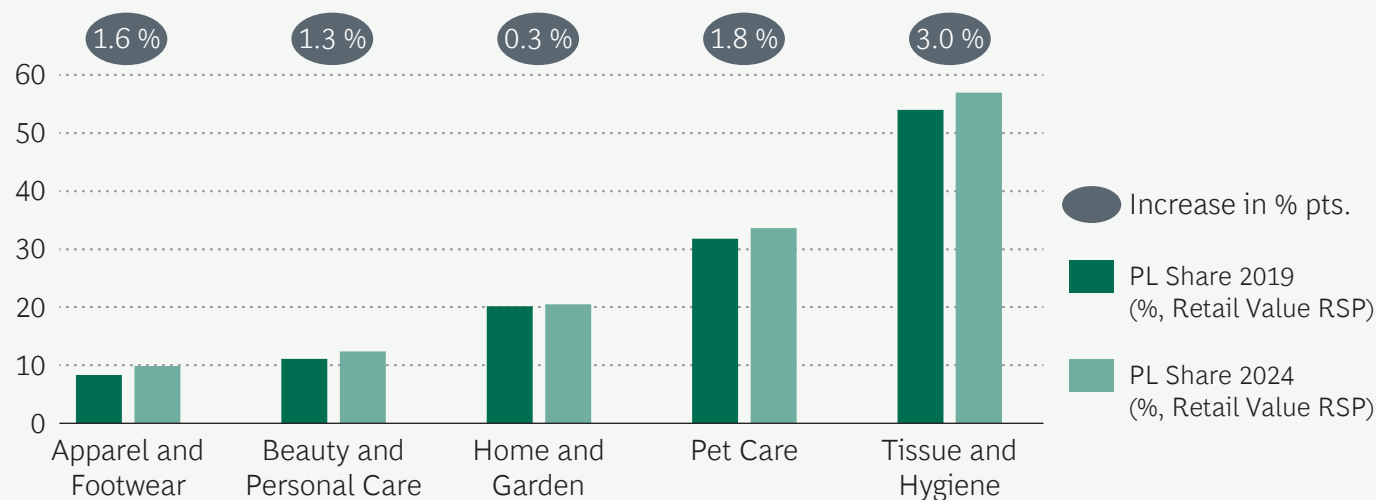
Going one step further, Gen Z shoppers have even normalized buying knockoffs, to the point that #dupe videos have amassed billions of views on TikTok. Unlike past generations who might secretly buy fakes, young consumers flaunt their dupes proudly. This clearly shows that many consumers are more than willing to switch to

alternatives at a lower price point, especially in times when wallets are squeezed. And while the idea of private label products originates in food, it **has gained high significance in near- and non-food**, as well, as a wide range of categories in Germany illustrate (Exhibit 1).

However, **regional differences** persist in how non-food private labels develop. For instance, in **Europe**, supermarket and discount chains have long integrated non-food ranges into their private label portfolios—from apparel lines at grocers to DIY tools at discounters—giving them a head start. European retailers' own brands continue to grow alongside food lines. In **North America**, the inflation surge of 2022–2023 was a catalyst for non-food private label growth. Middle- and high-income shoppers, facing higher prices for national brands, began trying more private label alternatives in personal care, OTC medicines, apparel and more. Major U.S. retailers reported an influx of new customers for their private lines. In **Asia and some**

EXHIBIT 1

Non-Food Private Label Share Growth in Germany



Source: Euromonitor, 2025

emerging markets, private label non-food is still nascent but growing rapidly as modern trade matures. Consumers in markets like India, China and Southeast Asia are increasingly open to private label products, especially when positioned as quality yet affordable alternatives.

Private Labels as Vehicles for Brand Equity

The overall trend is clear: non-food private labels are on an upswing globally, chipping away at national brand dominance category by category. Sophisticated retailers are thus increasingly using private labels to differentiate themselves and build customer loyalty, rather than treating these lines as mere lower-cost alternatives. Thus, retail executives are beginning to frame private labels as vehicles for brand equity, not just affordability. Top retailers now deliberately focus on premium products and innovation in their private label portfolios to strengthen brand equity. This shift in mindset—from viewing them as "private labels" to viewing them as "exclusive brands"—is crucial.

Leading chains increasingly develop private labels with clear value propositions and unique identities, much like consumer packaged goods companies do. The next frontier is **extending this into non-food categories** where brand and product experience matter as much as price. However, shoppers' expectations for non-food private label goods are markedly higher than for basic grocery items: they are willing to switch to a private label in these categories only if it meets the bar set by national labels. Quality and trust need to be equivalent.

Encouragingly, consumer trust in private labels is no longer a mere niche phenomenon: According to a recent study we conducted, many shoppers now **associate stores' own brands with both quality and value**. In Germany, for instance, nearly three in ten consumers say they buy private labels because the quality is comparable to or better than national brands, while a similar share cite trust in the retailer's brand as a key purchase driver. What truly anchors this trust, however, is the **perceived balance of price and performance**: two-thirds of German consumers view private labels as the smartest value-for-money choice, and more than half choose them for their consistently lower price points. These findings show that private labels are no longer defined by affordability alone—they have earned credibility as reliable, high-quality alternatives (Exhibit 2).

This means the old loyalty to big-name brands is up for grabs—but only for retailers who truly satisfy consumers on performance and reliability. If a retailer's own brand item can match the quality of the shopper's usual pick, loyalty shifts. Once trust is built, it often extends across categories—a customer who loves a grocer's private label pasta sauce might be more open to trying that grocer's skincare or even fashion line. Thus, non-food private labels have **graduated from the store's back shelves to center stage**, and their development is reshaping both shopping habits and industry dynamics worldwide.

At the end of the day, consumers expect national-brand caliber products from private labels—and they'll **reward retailers who deliver with loyalty**. Throughout this report, we'll analyze how retailers can get there—step by step, and with deep dives into some promising non-food categories for private label execution.

EXHIBIT 2

Reasons for choosing to buy private label or in-store brands

Multi selection of reasons, % of consumers that buy private label or in-store brands



Note: Question text: "If you buy private label or in-store brands, what are the main reasons for your choice?"; Asked all respondents (N = 10,240)

Source: BCG Black Friday Report 2025, November 2025



2 Winning in Brand-Led Categories

Private label acceleration is not the result of a single winning move, but of **orchestrating excellence across multiple levers**. Success requires a holistic view of the value chain—from pricing and promotions to innovation, packaging, and in-store execution. Retailers that excel in the development of their own brands analyze and optimize more than ten interlinked dimensions: price positioning, promotional strategy, assortment architecture, packaging design, technical specifications, innovation pipeline, distribution and space allocation, as well as signage and placement.

Throughout this report, we'll illustrate some of those dimensions along the non-food arenas like apparel, beauty and power tools—categories that you might call "brand-led". To win in these, retailers need to elevate their private labels into true, exclusive brands:

- In **apparel**, for instance, style and fit are paramount. Customers will give a private label clothing line a chance only if it delivers a quality that's in line with their expectations on value for money, contemporary designs, good sizing, and even a sense of purpose—for example, inclusive ranges or sustainable materials. Getting there involves smart sourcing strategies, amongst others.
- In **beauty and personal care**, consumers scrutinize quality and ingredients closely. They expect store-brand cosmetics and skincare to use safe, effective formulations and to align with values like sustainability and ethical sourcing. Attractive, Instagram-worthy packaging and on-trend innovations are essential to signal that a retailer's line is more than just a bargain bin—which can be further underlined by strategic marketing and brand building efforts by the retailer.

- And in **DIY hardware and power tools**, buyers need to be assured of durability, safety and performance on par with professional brands—no matter where they purchase the private label alternatives. Trust is a big factor—these products carry more risk (nobody wants a flimsy power drill). Thus, a store's own brand must earn confidence across channels, e.g., through expert endorsement and robust warranties, to assure shoppers that their tools can be trusted for serious projects.

Regardless of the category, each lever reinforces the others—ensuring that private label products deliver not only value but also visibility, differentiation, and sustained growth.

In this chapter, we'll take a closer look at what it takes to get non-food private label execution right, along three of the most important levers: **sourcing, brand building and omnichannel execution**.

2.1 Starting from the Source: Supply Chain & Sourcing for Non-Food

Private label products drive margins and customer loyalty, but success in this field requires a **focus on cost efficiency and quality**. Strengthening supplier relationships, leveraging advanced cost analysis (e.g., should costing), and implementing best-cost country sourcing are key to boosting profitability and optimizing margins. Additionally, value engineering and spec optimization ensure products remain competitive while meeting quality standards. From BCG experience in sourcing excellence projects, we usually see improvements of 10 to 14 per cent in Free On Board (FOB) savings, i.e. measurable reductions in the supplier-side cost base—translating into roughly a 3 to 5 percentage-point gross-margin uplift when combined with assortment harmonization and supplier consolidation.

Short-term actions such as strategic renegotiations can deliver quick wins, while mid- to long-term levers—including value engineering and should costing—build lasting structural advantage. Many retailers have thus **narrowed the quality gap or even surpassed national brands**. It's not uncommon now for a private label moisturizer or tool to win in independent tests or reviews against big-name competitors. This focus on quality and design has been crucial in winning over higher-income and brand-conscious customers to private labels. This underlines that **procurement can act as a P&L growth engine**, not merely a cost-control lever.

However, winning in non-food private labels first requires a strong dedication to **strategic sourcing and supply chain excellence**, as non-food products often have longer development lead times and more complex quality assurance processes than grocery items. Moreover, the sourcing footprint for categories like apparel or electronics has traditionally been global, with a strong concentration

in Asia. Many retailers continue to work with suppliers in China, Bangladesh, Vietnam, India, and beyond to produce their private label goods—managing **complex supplier networks** and international logistics. However, leading players are starting to challenge this model—**adopting a more flexible sourcing** approach, as some non-food items (like fashion pieces or seasonal décor) are meant to be in-and-out with short life cycles, while others (like a basic drill or a skincare cream) might be part of a longer-running core range.

Leading retailers are formalizing this balance through a **"glocal" sourcing model**—centralizing core assortment design and sourcing for efficiency, while maintaining local adaptability for short-cycle or climate-specific products. By balancing large-scale, long-cycle production for core items with smaller, opportunistic buys closer to the season, retailers can react faster to emerging trends and optimize their margins even further. Ensuring consistent quality across both models calls for **robust vendor** partnerships and local inspection capabilities, which allow retailers to maintain standards while gaining agility. What leading companies also do is establish a **"development at source"** approach—moving design and development teams, traditionally based in Europe or at regional sourcing hubs such as Hong Kong, directly to supplier sites to enable real-time co-development and faster decision-making.

Several retailers complement this with physical **cross-country assortment review workshops** to align buyers and developers in real time—reducing decision cycles from months to weeks. Another critical tactic is **bundling and standardization across markets**. Large retail groups operating in multiple countries have learned that they can drive big efficiencies by consolidating their private label

assortments and sourcing. **International volume bundling** makes bids more attractive to suppliers and reduces duplicate efforts in product development. However, it is important to keep in mind that certain products have very different quality requirements in different regions and are therefore not as easy to bundle as others. Retail executives should thus consider where they can streamline their non-food private label range—simplifying variations in packaging or design—to reap economies of scale and present a unified brand globally.

Therefore, leading retailers use a **structured bundling framework**. Five practical levers –harmonizing product specs, reducing variant diversity, standardizing primary and secondary packaging, and consolidating suppliers—help unlock 4 to 8 per cent COGS savings while preserving quality (Exhibit 3).

Another lesson in non-food sourcing is the need for **precise demand planning and supplier collaboration**. Unlike national brands, excess private label inventory often cannot be diverted to secondary markets—if you over-produce a store brand item, it likely ends up marked down or wasted. Conversely, stockouts directly erode the retailer's credibility. That's why there is "no room to mess up" in forecasting demand for private labels. Retailers and their vendors must share data and work closely to plan production, avoiding both shortages and overstocks.

In all these steps, targeted **AI applications** are already delivering measurable impact: For instance, retailers implementing AI-driven forecasting tools have improved demand accuracy by 10 to 20 per cent, cutting both markdowns and emergency reorders. By matching planned items to historical predecessors and analyzing past sales and promotion data, retailers can forecast demand at a much more granular level—improving accuracy and getting allocation right from the beginning. Furthermore, cross-functional integration tools enhance collaboration across procurement, marketing, product, and finance—enabling AI to translate customer insight directly into sourcing actions, from product design to pricing architecture. Thus, embedding AI from design through sourcing enables a fully data-driven value chain that links customer signals directly to margin delivery.

In sum, a **strategic supply chain approach**—from broad sourcing reach for cost advantage, to rigorous QA, to smart bundling of demand—underpins any successful expansion into non-food private labels. Retailers that elevate sourcing governance to the C-level and institutionalize glocal processes can capture tremendous margin potential through a combination of harmonization, supplier consolidation, and AI-enabled precision. Done right, non-food private labels won't just match brands—they will also lead on speed and customer relevance. And it will be procurement that gets them there.

EXHIBIT 3

Five Bundling Strategies for Private Label Assessment		
	Bundling approach	Questions
Article	Harmonization of products	• Are there differences in specifications? • Are there differences from the benchmark article?
	Reduction of variant diversity	• How many variants are in range in total? • Are there too many variants in the range?
Packaging	Standardization primary packaging	• Are there differences in the packaging? • Are there differences in design/layout?
	Standardization secondary packaging	• Are there differences from the benchmark article?
Supplier	Supplier bundling	• How many suppliers are in place? • Are there different suppliers?

Private Label in Apparel



Apparel is a prime example of how best-in-class supply chain practices can elevate private label performance: many retailers have already established strong private label brands that are often **perceived as "actual" brands**. For instance, one major U.S. general merchandise retailer has demonstrated that private label apparel can **rival national brands when design, data, and purpose converge**—even without a fashion-house heritage. Rather than treating apparel as a seasonal commodity, the retailer positioned it as a brand-led category, with multiple owned brands. Dedicated in-house design teams **work closely with sourcing and analytics functions** to identify emerging trends, translate them into accessible collections, and bring them to market quickly.

This case is also a great example of how big apparel players use their supplier base as a competitive advantage by forging deep partnerships: they might consolidate to fewer, trusted vendors and share longer-term forecasts, or even commit volumes to encourage suppliers to prioritize them. Such close collaboration, coupled with advanced forecasting, helps **manage the notorious demand volatility** in fashion. Therefore, leading retailers treat suppliers as extensions of their own team, jointly navigating swings in demand and ensuring capacity is there when needed. By leveraging nearshore suppliers and integrated design-to-factory systems, brands can respond to trends in weeks, not months.

Even traditional retailers are now adopting agile practices, de-averaging their supply chain—e.g., through **smaller batch orders, quick replenishment, and dual sourcing** (split between local quick-response factories and lower-cost offshore makers)—to ensure their private labels in apparel are always in stock with the latest styles. In practice, the **production rhythm depends heavily on the item itself**: core NOOS (Never Out of Stock) pieces are manufactured in large, predictable batches, while highly seasonal or trend-driven items follow a smaller-batch, read-and-react cadence that allows for faster course correction.

By **coupling trend agility with deep consumer insight and a clear brand architecture**, retailers can transform store-brand clothing from a low-margin necessity into a fashion franchise. Through a combination of data intelligence, design expertise, and clear brand storytelling, mass retailers can make private label apparel both commercially powerful and emotionally resonant—proving that you don't need to be a fashion house to create fashion brands.

2.2 Building Non-Food Private Label Brands That Consumers Trust

Launching a non-food private label is not just about sourcing products—it's about **building a brand that consumers trust** and even love. Retailers should invest in brand architecture and identity for their private labels, rather than treating them as "no-name" labels. Effective storytelling and marketing—sometimes including celebrity endorsements—help elevate the brand. Many of the most successful private labels follow this logic and have distinct branding.

They aren't presented as generic items—instead, they have their **own logos, branding and positioning** that resonate with target segments. Retailers have dramatically

improved packaging design and product quality for their own brands in recent years. No longer are private label products packaged in plain white boxes with basic text—they now feature attractive, modern designs that often mimic or even outshine name brands on the shelf. **By developing a distinct brand story**, retailers can make their own brands more than just a price play: They can cultivate loyalty to their private label lines much like a CPG company would.

Achieving that goal requires a complete **marketing strategy**. It's not enough to quietly place the private label

product on a shelf; retailers should actively **tell the brand's story and highlight its value**. This can include creating content (blog posts, how-to videos, style guides, recipes, etc.)—featuring the private label items to show them in action. Customer reviews are another powerful tool—encouraging shoppers to rate and review the products online builds credibility for potential sceptics browsing later.

By giving private label products a name and story, retailers make them more relatable and credible to consumers, shedding the old "generic" image. Some retailers even treat their private labels like **independent brands on social media**, engaging in influencer-style marketing. Such approaches mimic how national brands drum up buzz,

and they signal to consumers that the retailer's brand is **serious and trustworthy**. Loyalty programs can further reinforce the connection: offering bonus points or exclusive perks for purchasing private label products can incentivize trial and repeat purchase.

Ultimately, the magic happens when product quality and storytelling merge: A great product that fulfills a need will win one-time sales; a great product **with a relatable brand story** (e.g., focusing on sustainable ethos, premium quality for less, etc.) will win a fan following. Retailers that put effort into branding, marketing, and engaging consumers on an emotional level are seeing their private labels become **powerhouse names** in their own right.

BEST PRACTICE

Private Label in Cosmetics



In beauty and skincare, consumers instinctively gravitate toward trusted brands with credible science, aesthetically pleasing packaging, and authentic stories. One leading German drugstore has turned its private label cosmetics into a major success, especially through **savvy social media engagement** and strategic expansion into Asia. What started as an in-store beauty brand evolved into a "cult label" through user-generated content, reviews, and micro-influencer moments. That kind of organic virality has elevated the brand's status beyond simply being "discount cosmetics". Customers rave that **the brand's quality often matches or beats high-end cosmetic brands**, at just a

fraction of the price. Hence, they deliberately seek out the store's private label products as affordable "dupes" for pricier labels.

When trying to reach that goal, store-brand cosmetics and skincare must shed any "generic" connotation. Beauty buyers are looking for **signals of quality and credibility**. Successful private label beauty lines emphasize things like **dermatological testing and clean ingredients**, and they highlight ethical practices (e.g., cruelty-free, vegan formulas) to appeal to conscious consumers. Packaging aesthetics also carry weight—the product should look boutique or luxe even at a lower price point. Thus, when the German drugstore reimaged a new beauty flagship sub-line, **design became a main lever**. The packaging language was minimalist, clinical, and codified (strong use of black-white contrast, clean typography), evoking a "dermatologist lab" aesthetic that resonates online. That visual clarity made the products "Instagrammable"—even at everyday price points.

Another key is **keeping pace with beauty trends**. Private label teams need an innovation cadence mirroring that of niche brands: for example, rolling out a vitamin C serum when that ingredient is hot, or launching seasonal makeup collections. Some retailers even take inspiration from K-beauty and J-beauty crazes, introducing sheet masks, snail-mucin creams, or other trending formats under their own brands. Said German drugstore took this idea one step further: rather than relying solely on European markets, the retailer introduced **selected private-brand cosmetics into Chinese and Korean retail channels early**. The current hype transition from K-Beauty to "D-Beauty" underscores how **German skincare has redefined the category**—combining quality and affordability in a way that resonates with value-conscious consumers.

In essence, a private label cosmetics range should be fast-following (or even leading) on trends, while backed by the retailer's quality guarantees. The combination of stylish presentation, proven efficacy, and trendy innovation can position a **retailer's beauty brand as a compelling alternative to the big names**. When executed right, this can create a hype way beyond the retailer's own shelves.

2.3 Getting Omnichannel Execution Right

Executing a successful non-food private label program requires retailers to adopt **new ways of working** compared to their food operations. One essential shift is embracing an **omnichannel approach to merchandising** these brands. In-store placement remains crucial: eye-catching displays, end-caps, and signage can introduce shoppers to the new line. Nowadays, many consumers get inspired and discover products online first, so retailers must equally invest in **digital visibility** for their private labels. This means optimizing the website and mobile app so that a search for, say, "moisturizer" or "cordless drill" prominently features the retailer's own brand alongside national brands. By **controlling placement and presentation**, retailers give their brands a fighting chance to shine.

Some retailers have even launched DTC-style micro-sites or social media profiles for their key private labels to generate buzz beyond the store. A true omnichannel strategy treats the private label as a **brand to be marketed across all touchpoints**—for example, using loyalty app notifications, email newsletters, and even retail media networks to advertise the unique selling points of the product. Consistency is key: the branding and message should align in-store and online, giving consumers a seamless understanding of what the brand stands for.

Some U.S. retailers are even taking this omnichannel thinking one step further—by bringing their private labels to external marketplaces: they increasingly use those as **complementary distribution channels** to reach new customers and control how their brands appear online. Leading examples show how listing core or evergreen SKUs on curated marketplaces allows retailers to **expand reach, manage brand representation, and capture demand beyond their own ecosystems**. Some even use marketplaces strategically for international expansion or off-price clearance, ensuring that private labels remain visible wherever consumers choose to shop.

Another modern tactic is **digitally native testing and limited releases**. Borrowing a page from nimble direct-to-consumer brands, retailers can pilot new private label products online or in select markets to gauge interest before a full rollout. This could look like "limited edition" drops of a new gadget or a seasonal cosmetics line sold initially through the web store or a pop-up event. By observing the response (which items sell out fast, what feedback is given), the retailer can decide whether to scale it up. Such experimentation keeps the assortment fresh and allows quick iteration based on consumer data. Leading hard discount stores in Germany have long used limited-time offers in non-food (from fitness gear to kitchen appliances) to create a sense of excitement and urgency. Other retailers are now applying that model more strategically, effectively **market-testing innovations under their own brands with lower risk**.

Finally, retailers must recognize that **customer service and after-sales support are part of the brand experience of the private label**, too. A dress from a store's own brand that doesn't fit is just a return, but how that return is handled will influence the customer's view of the brand. Generous return policies, hassle-free exchanges, and responsive customer support will make shoppers more confident in trying a new or unfamiliar private label item. This is particularly important for non-food categories where trial involves more risk (will this 300 euros private-brand appliance hold up? If not, will the retailer make it right?). The best players treat after-sales support as a **brand-building opportunity**, using warranties, dedicated helplines, or no-questions-asked returns to demonstrate faith in their product.

Thus, in summary, flawless omnichannel execution in non-food private labels comes down to **integrating the private label into every facet of retail strategy**: omnichannel distribution, promotion and marketing across all available channels, and superior customer experience.

Private Label in DIY/Power Tools



In the DIY, hardware, and power tools segment, the challenge is convincing customers that a store-brand drill or appliance will **perform as reliably and safely** as the familiar names. Here, **technical trust is paramount**.

Retailers are smart to leverage their in-store expertise: for example, having floor staff recommend the private label to customers and answer detailed questions can greatly boost confidence. Many big home improvement chains provide extensive training to associates on their owned brands, effectively turning them into **brand ambassadors** who can vouch that "this house-brand power tool is just as capable for your home project."

One leading hard discount retailer (within a major global retail group) has treated its tool brand as a strategic anchor for its non-food expansion, and the lessons are instructive: rather than hiding tools in multi-category aisles, the retailer has launched **stand-alone DIY concept stores** exclusively for its tool brand. These pop-up stores showcased the full arsenal—from drills and hand tools to accessories—giving customers space to interact with and test the product range. They became local events: media coverage noted long queues at openings. Additionally, the brand is expanding via **shop-in-shop modules** inside partner hypermarkets: up to 120 m² of dedicated area in ~30 branches in Germany showcase the tools in a branded installation.

Giving the private label tool brand its own shelf space (or its own mini-store) signals seriousness, enhances visibility, and lets product experience reinforce brand promise. Another trust signal is a **strong warranty and service policy**. Offering warranties comparable to or better than the leading brands (think lifetime guarantees on hand tools or extended service plans) shows that the retailer stands behind the quality. Investing in robust warranty programs and customer support is critical to building loyalty in tools: If a DIY enthusiast knows they can easily return or replace a store-brand tool if it fails, they're far more willing to give it a try.

Performance parity is, of course, essential—the product has to genuinely hold up in real use. Many retailers achieve this by sourcing from the same manufacturers that produce well-known brands, or by rigorously testing their models against benchmarks. Some also design **modular ecosystems** (e.g., a line of power tools that all use the same interchangeable battery system), which can lock in loyalty just as the big brands do. It's wise to **tier the offering** as well: for instance, having a basic line targeted at casual DIYers and a higher-end private label line built for contractors or serious hobbyists. Clear differentiation (in branding and specs) between a "home" series and a "pro" series ensures each customer finds the right value level.

Finally, retailers should not shy away from **educating the customer**—through demos, how-to content, or workshops—to showcase that their private label tools can be trusted in action. By coupling **expert endorsement, strong after-sales support, and true quality** on the shelves, retailers can overcome skepticism and establish their own brands as go-to names in the garage and workshop. Going one step further, they can even consider relying on celebrity endorsements, like the aforementioned retailer did in a major brand campaign for their power tool line.



3 Conclusion & Call to Action

Buying private label products is no longer a stigma: to many, it's much rather common sense in an era of inflation and fading brand loyalty. Non-food private labels represent the next competitive battlefield in retail. As national brands face fragmentation and savvy shoppers seek value plus quality, retailers have a prime opening to capture loyalty by handling non-food private labels right.

The opportunity is clear: by differentiating through quality and brand building, offering unique value beyond just cost savings, and leveraging data to understand what consumers truly want, retailers can create private labels that stand toe-to-toe with—or even outshine—the big names.

The winners will be those who elevate their private labels from bargain alternatives to beloved brands. Winning in non-food private label requires mastering the full value staircase—from supply and product fundamentals to

brand experience and omnichannel presence. In practical terms, retail executives should focus on a few key strategies moving forward:

1 Control the Supply Chain: Owning your brand means owning its production. Wherever possible, streamline your sourcing for cost efficiency—but also for quality control. Playing your direct relationships with manufacturers right, performing quality tests, and coordinating sourcing across regions (as in cross-country bundling strategies) will maintain high standards and improve margins. This forms the foundation of competitive price positioning and value perception. However, don't cut corners—ensure your private label products meet or exceed the standards of national brands. From materials to aesthetics—make quality consistency non-negotiable across every SKU.

Shoppers notice the difference, and many will gladly switch if the quality is there.

2 Build a Strong Brand Identity: Develop a clear brand story and identity for your private label lines. Successful retailers have shown that treating private labels as brands—with distinct names, packaging, and marketing—yields a devoted following. Make sure to give consumers a reason to choose your brand beyond price. Highlight its awards, great reviews, or comparisons where it beats the leading brand. Additionally, you can focus on innovative product features, exclusive styles, or bundle deals that others don't offer—private labels can be more nimble in launching niche products or combining categories (e.g., a starter kit that bundles tools and how-to guides); use that flexibility to stand out.

3 Make Your Private Label Stand Out Across Channels: Market and distribute your private label as you would a national brand. Invest in eye-catching in-store placement, end-caps, and signage, while amplifying visibility online through search, banners, social media, and curated marketplaces. Analyze trends, reviews and feedback across all touchpoints to identify gaps or opportunities. For instance, if returns data shows an apparel item isn't fitting right, refine it.

If search data shows rising interest in a certain feature or ingredient, incorporate it. Such an insights-led approach, based on the vast amount of first party data only retailers can collect, ensures your private label is always aligned with customer needs—more so than many national brands.

The message is clear: non-food is the new frontier for private labels, and it's ripe with potential. Retailers that commit to this space—by building strong, trustworthy brands under their own roof—will not only enjoy better margins but also forge deeper customer loyalty.

The time to act is now. Retail leaders should take up the call to innovate and invest in their non-food private labels—those who do will create a distinct competitive advantage that reshapes the retail landscape in their favor.

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