

StoreBrands

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Editor's Note



No secrets, please

One of the most significant trends that has been impacting brands in recent years is consumers' push toward greater transparency. A growing number of consumers want to know everything about a brand's owner — from how and where it conducts business to the stories behind the ingredients or materials it uses in its products.

And that trend is expected not only to continue, but also to pick up steam. In fact, in "11 Marketing Trends to Watch for in 2015," a Nov. 9, 2014 post on Forbes.com, contributor Avi Dan says transparency will be the most important marketing tool of the new year.

"Next year the best brands won't be those with the best stories or sort of made-up fictional stories," he wrote, "but those that will give an accurate and real-time picture of what they are doing in the interest of the consumer, at any given time."

That might be tough news to swallow for the store brand industry. Although retailers have become much more transparent in the past decade in regard to sustainability initiatives, diversity efforts, charitable contributions and other corporate-led business efforts, most of them have remained hush-hush when it comes to their private brand sourcing efforts. As a result, shoppers who purchase a store brand product are left in the dark as to what company manufactured that product — and the "story" behind that manufacturer and the product.

But now the pressure is on to change that reality — from the online side of private brands. This past December, Seattle-based Amazon.com launched a line of premium everyday private brand essentials with "transparent origins." Available exclusively to Amazon Prime members, the Amazon Elements line is said to offer an "unprecedented level of information" that explains where and when items were made, why each ingredient is included, each ingredient's origin and more.

I took a look at the information Amazon posted online for the first items to hit the market — diapers and wipes — and believe me, the company isn't exaggerating its transparency claim. In its "story" behind the diapers, Amazon details the material used for the diaper fluff, where it is sourced and the "why" behind the decision-making (loblolly pine tree pulp sourced from forests in Alabama, which has longer, heavier, larger-diameter fibers than woods from elsewhere in the United States, so it's stronger and wicks fluid faster). It also details the same information for the other materials used in the diaper, in order of prevalence. And — gulp! — the company actually shares with consumers the name of the company that manufactures the diapers (Irving Personal Care) and the reason Amazon selected it.

My description touches on only a small portion of the product information Amazon opted to share with consumers. The company's approach to transparency is a 360-degree shift from the traditional store brand package notation that states "distributed by retailer X."

As forward-looking marketers such as Amazon and some big national brands continue to take steps to increase transparency, retailers could find that their traditional approach will become an obstacle to store brand growth.

Yes, you may view your suppliers as "competitive secrets." But consumers want the *whole story* behind your products — and your suppliers are part of that story. **SB**

Kathie Canning

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