



The Private Brand Movement, Sept 19-21, 2011
Sheraton Chicago Hotel & Towers

Private Brand: Welcome to #PBMChat! I'm Michelle, I handle the social media accounts for the Private Brand Movement <http://ow.ly/5VZXQ> Feel free to introduce yourself now if you are following along w/ #PBMChat We'll begin the discussion in a moment.

Today I'm joined by @eligetson SVP of Merch for @Golfsmith and co-chair of the event, welcome Eli! Why do you think private brands are here to stay?

Eli Getson: I think if you look at the fast momentum of private brands and the level of consumer acceptance they are not only here to stay but will only get bigger. Consumers not only have accepted house brands, but in a lot of instances they are the brands of preference .

DouglasGammage: Exactly Eli. Shoppers are value obsessed and will patronize retailers that deliver value.

Kirthis S: @eligetson Does price still play a big role in private brand acceptance?

Eli Getson: @kirthis_s in some instances, but I look at a lot of private brands today that are not purely about price, it is about value. This has been the biggest evolution. Private brands can now stand with national brands in terms of quality, design etc.

Private Brand: @eligetson Definitely! On that note what do you think retailers need to do to accelerate the expansion/acceptance of store brands?

DouglasGammage: To accelerate expansion/acceptance, all brands need to be visible, have clear propositions and demonstrate quality.

Eli Getson: @DouglasGammage No question Doug. Great point. I also think more companies today are looking beyond a pure price play and at house brands as a big strategic asset.

Carol Spieckerman: @eligetson At PBM, you said that Golfsmith was pursuing mix of acquire vs. build. Have ratios changed with M&A's heating up?

Eli Getson: @retailxpert I think they have and I think with a lot of M&A activity you will continue to see more retailers acquire versus build. The world moves much faster today, so acquiring a brand with some built in consumer acceptance can help.

Carol Spieckerman: @eligetson Agree. Even formerly insular retailers opening up to buy route (brands and platforms)

Private Brand: @eligetson What are your predictions for the private brand world in the next 5-10 years? What does this mean for national brands?

Eli Getson: @Private_Brand private brands will get bigger, but I think the best of the best will take a holistic approach to PB versus OEM

DouglasGammage: Good/Better/Best is over. Shoppers need emotional vs. rational reasons to buy. The key is brands that fit the master brand.

Carol Spieckerman: @douglasgammage Well, I don't think good, better, best is over. Private brand just resides in all three ;)

DouglasGammage: Oh absolutely retailxpert. But looking at Safeway we see value, nbe and premium along with special interest brands.

Eli Getson: @DouglasGammage Amen @Private_Brand Ultimately you do not want to cannibalize, you want to grow-to do this you need strong OEM's and robust house brands. I think strong national brands who have a focus and know their customers will continue to thrive, same with private brands.

DouglasGammage: Absolutely Eli. Consumers increasingly don't differentiate between who brings the brand. As long as it solves their need.

Eli Getson: @DouglasGammage I think this is the key point, to the consumer they are all brands and will compete on their merits.

Private Brand: How do you think the partnership between national brands and retailers need to change?

Eli Getson: @Private_Brand I think you need more collaboration between OEM's and retailers. The

Retailer needs to rationalize the whole assortment-PB and OEM so the consumer wins. By stronger collaboration and up front planning you more clarity and less duplication out there. Sorry passionate about that one.

Kirthis S: @eligetson @Private_Brand are national brands seeing PB as threats? If so, how collaboration can be successful?

Eli Getson: @kirthis_s think some probably do, but most (hopefully) realize the best way for an OEM to be successful in a retailers box is work closely with the retailer to have the best chance to succeed. Private brand won't go away.

Eli Getson: @DouglasGammage I think Safeway, HEB, Macy's etc. are all examples of what will continue.

DouglasGammage: A delicate balance. Retailers need to offer appropriate mix that gives shoppers choice. Private brands must always offer savings.

Eli Getson: @DouglasGammage I think savings is one plank in a bigger strategy. Private brands can offer that plus design, value etc.

Private Brand: My last question for @eligetson What have you been reading lately (business or otherwise)? Good resources to share?

Eli Getson: @Private_Brand two things-Start with Why by Simon Sinek-I always go back to it. I also just read a McKinsey article by the CE Oof Uniqlo. Great article about innovation and trying, testing, and learning

DouglasGammage: I'll check them out thanks. Just saw John Gerzema give a presentation in Toronto. Will be checking out Spend Shift.

Eli Getson: Thanks everyone, great insights. Hope to see you all in Chicago in September.

Private Brand: If you enjoyed today's #PBMchat we do have a 15% off twitter code for the conference PBM11TWEET <http://ow.ly/5Wh9e>