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Brands threatened as own label gains fans

James Ball

Coca-Cola remains the most valuable grocery brand in the UK - but big brands are coming under increased pressure as consumers switch to own-label goods in the credit crunch, according to a new report from Intangible Business.

The report, which ranks brands based on forecast sales and nine qualitative measures including brand perception and price premium, warned that even the biggest brands faced a tough year as retailers and cash-strapped shoppers turned to own-label alternatives.

"If, as expected, major supermarkets bring in more own-label products to compete with discount retailers, 2009 will see a fierce battle of brand owners," said



Even the top players will face a tough year, survey predicts

Intangible Business joint MD Stuart Whitwell. "We have seen examples of this in 2008 with Princes losing out to John West, Coke increasing market share over Pepsi, and Warburtons firmly establishing itself as the number one provider of baked goods. This will only get worse."

The report warned that

brand values were likely to fall over the next year as a result of tumbling sales of branded goods during the economic downturn.

However, retailers who managed to pick up market share from struggling rivals would see brand values rocket as the economy returns to growth.

The biggest winners in

this year's ranking were Kettle Chips, up from 95th to 75th place and Mars, whose investment in brand advertising paid off with a rise of 18 places to 53rd.

By contrast, a string of bird flu health scares were responsible for Bernard Matthews' slump to 97th place, while Tate & Lyle fell to 86th.

Goodfellas, Clover, McVitie's Jaffa Cakes, Kellogg's Corn Flakes, Weight Watchers ready meals and Birds Eye frozen ready meals all exited the top 100. SMA Nutrition baby milk was the highest new entrant, in 68th place.

The top 10 brands were: Coca-Cola, Warburtons, Lucozade, Cadbury Dairy Milk, Nescafé, Hovis, Robinsons, Andrex, Red Bull and Heinz Baked Beans.