CONSUMER PREFERENCES FOR AGRI-FOOD PRODUCTS SOLD UNDER RETAIL PRIVATE LABEL

TUICĂ GABRIELA
FACULTY OF AGRIFOOD AND ENVIRONMENTAL ECONOMICS, THE BUCHAREST UNIVERSITY OF ECONOMIC STUDIES, , BUCHAREST, ROMANIA
corresponding author: tuicagabriela23@stud.ase.ro

Abstract
The purpose of this study is to examine consumer behavior regarding private-label agri-food products in a context marked by inflationary pressures, a diversifying product range, and the dynamics of large retail chains. For this study, a survey method was used, developing a questionnaire to analyze the factors that determine the consumers' purchasing and consumption decisions regarding private-label agri-food products. The research focuses on aspects such as consumption frequency, preferred retailers as a source of product purchase, monthly spending on these products, preferred product categories, and the identification of product ranges associated with major retailers that sell private-label agri-food products. The questionnaire collected responses from various respondent samples, while also examining the influence of demographic data on purchasing and consumption trends. The research results highlight a growing trend in the consumption of these products, with an increasingly sophisticated consumer profile, where the most important purchasing criteria are product quality and price, while consumption is most influenced by taste and freshness, and secondly, by the quality of these products. The main conclusion is that "store brands" serve as a strategic tool for differentiation and for strengthening competitiveness in the Romanian agri-food retail sector, where the market is maturing and increasingly demanding high-quality products, seeking an optimal quality-to-price ratio.

Key words: *consumer preference, private label, store brand, survey, retail, quality*

JEL Classification: *D12, Q13, L81, M31*

1.Introduction

In recent years, macroeconomic developments and changes in consumer behavior have transformed the agri-food market, and the private label segment becoming the main growth driver for modern retail. While in the early years of this product category's emergence, "private labels" were associated with low quality standards and affordable prices, they have now come to be perceived as competitive alternatives to established brands, offering a favorable price-quality ratio and an increasingly defined brand identity often associated with various modern retail chains.

This analysis is particularly relevant given that retailers such as Lidl, Kaufland, Mega Image, Carrefour, Auchan, and Penny have consistently invested in developing their private label portfolios and in building consumer trust, transforming the purchasing process from a mere necessity into a strategic choice based on loyalty and consumer experience.

The general objective of the study is to present the way consumers evaluate private-label food products, what their purchase and consumption criteria are, and to what extent they are willing to recommend these products to others. From a practical perspective, the results can provide retailers and local producers with relevant insights and data to adapt their product, pricing, promotion, and distribution strategies in the private label segment.

The first private-label products were launched in 1869 in the United Kingdom, through the Sainsbury's chain, and a century later, in 1976, the Carrefour group in France launched its own product line under the generic name "produits libres," as an alternative to national brands. Afterwards, the model was adopted by most retailers [1].

According to relevant literature, the emergence of private labels marked a turning point in retail history, as these products are developed, managed, and distributed directly by major retailers [6]. Their evolution has undergone a profound transformation: while they were initially perceived as mere generic alternatives of low quality, aimed strictly at the price-sensitive consumer segment, they now offer real competitive value compared to established national brands [6]. The modern positioning strategy structures the portfolio of these products into three distinct tiers: economy, standard, and premium, allowing retailers to efficiently and accurately meet the needs of highly diverse consumer groups [5].

The profound transformations in modern agri-food retail have led to a change of competition between private-label and national brands: from simple price-based competition to complex repositioning strategies, omnichannel investments, and, looking ahead, strategic collaboration between manufacturers and retailers [8]. Private label brands have emerged as an essential strategic instrument for retailers, contributing to cost control, enhanced profitability, and customer loyalty, while simultaneously posing challenges related to market dynamics adaptation and brand legitimacy consolidation [2].

According to an empirical study conducted on the Central European consumer market, consumer perceptions of private label products are significantly shaped by demographic variables such as age, income, and family status, which in turn influence both product category preferences and purchase motivations [14]. Other researchers have demonstrated that consumer perceived risk towards private label products remains significantly higher than towards manufacturer brands, although this gap is gradually narrowing; furthermore, the evolution of private label strategy is increasingly oriented towards sustainability and green branding as key drivers of long-term competitiveness [3].

Purchase intention towards private label products is shaped by a combination of intrinsic and extrinsic factors; notably, in-store promotion, visual merchandising, and store image directly influence both customer value and purchase intention, with customer value acting as a key mediating variable in this relationship [7]. Although national brands continue to be perceived as qualitatively superior, empirical evidence indicates that consumers' willingness to buy does not systematically favour them over private label brands, suggesting that the traditional quality gap is gradually fading while the branding gap is gaining increasing relevance in purchase decision-making [11].

Consumer loyalty towards private label products in food retail is primarily driven by shopping experience and store image, which cascade into more favourable attitudes, satisfaction and ultimately loyalty, while contextual factors such as time pressure and pandemic perceptions act as moderating variables that recalibrate these experiential pathways

Recent research confirms that consumer loyalty towards private label products in food retail is primarily shaped by the overall shopping experience and store image, both of which foster more positive attitudes, greater satisfaction, and ultimately stronger loyalty; contextual factors such as time pressure and crisis perceptions further reinforce these dynamics, suggesting that private label loyalty is built through complex, differentiated pathways that go well beyond simple price-quality trade-offs [15].

Regarding regional areas, there are notable differences in the market share of private-label brands: Western Europe leads the rankings, where private-label brands accounted for 39.2% of consumer goods sales in the second quarter of 2024, while Eastern Europe is at half that level, with a share of just 19.9%. On the other hand, North America has a market share of 17.6%, while Africa and the Middle East account for only 10.8%, with South Africa being an exception on the African continent, at 19% [9].

In Romania, the private-label market is on an upward trend, although the share of these products in FMCG sales remains below the European average, indicating significant growth potential [4]. At the same time, private-label products manufactured in Romania have surpassed the 50% threshold of the total, especially in the food segment, where perishability and the proximity of local producers play a key role [10].

2.Materials and methods

To carry out the present research on consumer preferences for private label agri-food products, the survey method was used, with the main instrument being a questionnaire distributed online via Google Forms. The questionnaire consisted of 16 questions, strategically structured to generate a mixed data set and provide a two-perspective analysis. The quantitative dimension was covered by closed-ended questions (single or multiple choice), nominal, or ordinal.

To measure subjective attitudes and satisfaction levels, scaling was used, introducing questions based on the Likert scale (with 6 and 7 levels of importance) and ranking grids, facilitating the transformation of perceptions into numerical statistical indicators for calculating weighted averages.

The sample consisted of people over 18 years old, both female and male, recruited through social networks and personal contacts (colleagues, friends, relatives, work colleagues). The sample structure is predominantly urban (approximately 79% of respondents live in urban areas) and young, with a significant proportion in the 18-25 age segment, but also includes middle-aged and mature categories.

Regarding income levels, the distribution is polarized: a significant proportion of respondents declared incomes below 2,500 lei, while another important segment has incomes above 7,001 lei, allowing for the analysis of behavior among both consumers with limited financial resources and those with higher incomes. Data were processed through frequency, percentage, and mean analysis for key variables, complemented by correlation analysis among relevant variables to highlight relationships between respondent characteristics and consumption behavior.

The private label products market in romania

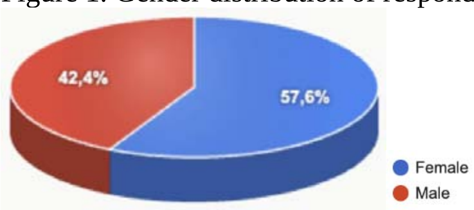
In 2023, 41,207 economic agents were registered in Romania under CAEN code 4711 (retail sale in non-specialized stores, predominantly selling food products), generating a turnover of 142 billion lei (32.3 billion euros) and a total profit of 5.3 billion lei (1.2 billion euros), with a total of 179,437 employees [7].

The main market players, in order of turnover, are: Lidl Discount SRL (21.8 billion lei), Kaufland ROMANIA SCS (18.3 billion lei), Profi Rom Food SRL (12.9 billion lei), Carrefour ROMANIA SA (11.4 billion lei), and Mega Image SRL (9.9 billion lei). In Bucharest, the market is dominated by Kaufland ROMANIA SCS, which leads both in turnover (18.3 billion lei), number of employees (14,340), and profit (864.9 million lei) [7].

3.Results and discussions

Results regarding the sample profile and (non)consumption behavior

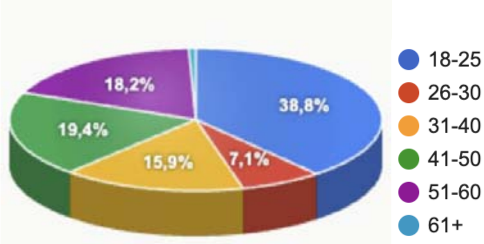
Figure 1. Gender distribution of respondents



Source: Analysis of survey responses

In terms of gender, the sample is dominated by women, who account for approximately 58% of respondents, a situation explained by the fact that women are often primarily responsible for household purchases.

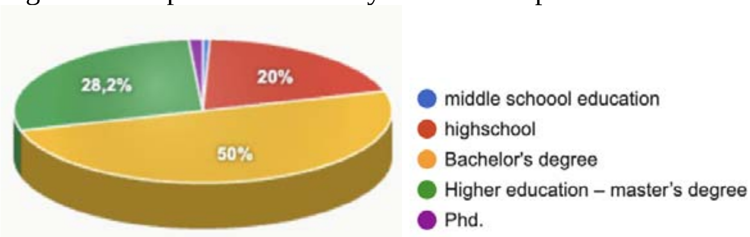
Figure 2. Respondents' distribution by age group



Source: Analysis of survey responses

The age distribution shows that the 18–25 age group is the largest, followed by the 41–50 and 51–60 age groups, reflecting the presence of both students and working adults with professional experience.

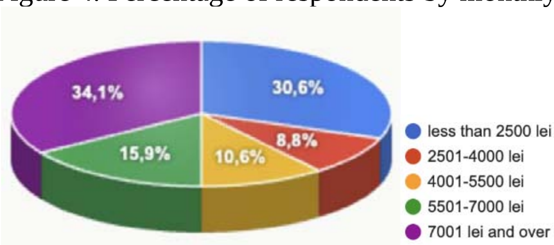
Figure 3. Sample distribution by current occupation



Source: Analysis of survey responses

The survey sample is characterized by a high level of education. The fact that over 78% of the study participants hold advanced degrees (bachelor's + master's) suggests that the profile of the private-label consumer who completed this questionnaire is that of an informed, educated and analytical individual.

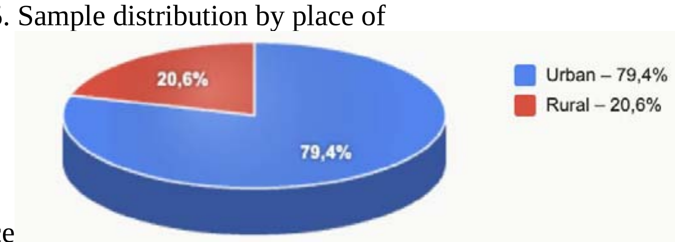
Figure 4. Percentage of respondents by monthly income category



Source: Analysis of survey responses

An analysis of income shows that 30.6% of respondents have monthly incomes below 2,500 lei, while 34.1% report incomes above 7,001 lei, with the intermediate ranges being less represented. This distribution suggests that private-label brands are relevant both to consumers with limited financial resources, who naturally seek cost-saving solutions, and to those with above-average incomes, who value the quality-to-price ratio.

Figure 5. Sample distribution by place of

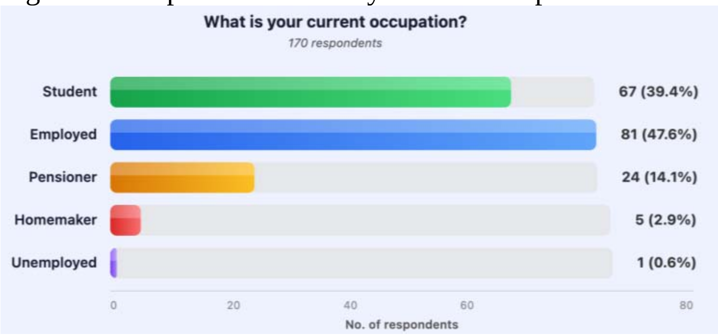


residance

Source: Analysis of survey responses

The sample distribution by residential area confirms the high proportion of residents in large and medium-sized cities, areas where modern retail networks are well represented by hypermarkets, supermarkets, and convenience stores. In rural areas, where access to such formats is more limited, the share of respondents is approximately 20%, but even here there is a notable use of private-label products.

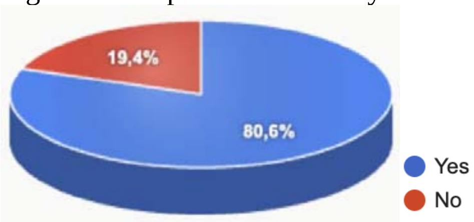
Figure 6. Sample distribution by current occupation



Source: Analysis of survey responses

Analyzing the respondents' occupations reveals a structure centered on two main segments: employees, who account for the majority at 47.6% (81 people), and students, who make up a significant 39.4% (67 people).

Figure 7. Sample distribution by consumption of private-label agri-food products



Source: Analysis of survey responses

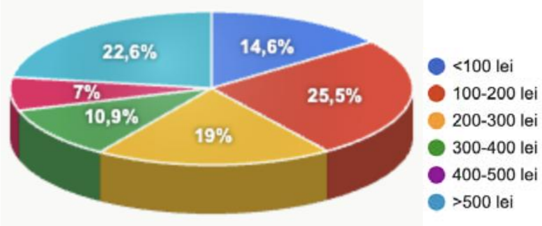
The survey results show that over 80% of respondents say they have purchased private-label food products, indicating a high penetration of these products in the shopping basket.

Figure 8. Sample proportion by non-consumption/purchase criteria

Source: Analysis of survey responses

These data are particularly valuable from a strategic perspective, as the identified barriers are not sensory or financial in nature but rather reflect a lack of brand awareness and information. Therefore, strategies to convert non-consumers should focus on increased transparency on packaging (visible producer, certified origin) and sampling initiatives, which specifically address the barrier of unfamiliarity.

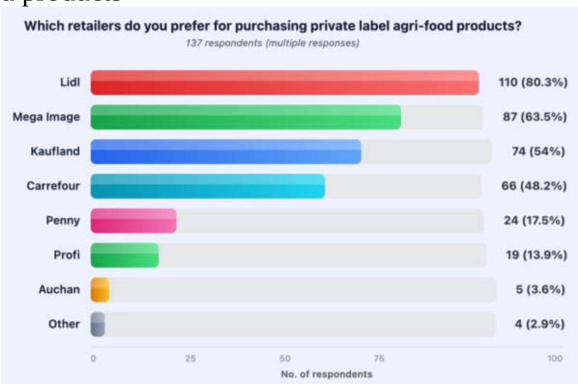
Figure 9. Sample distribution based on the monthly amount allocated to the purchase of private-label food products



Source: Analysis of survey responses

The distribution of allocated budgets indicates that most respondents spend considerable amounts on private label products each month. The dominant segment consists of those who spend between 100 and 200 lei per month (25.5%), closely followed by a significant group of consumers who spend over 500 lei. These segments are representative of young people who are mindful of their monthly expenses and, respectively, those with above-average incomes, who can afford higher-quality products, likely opting for store brands over established brands.

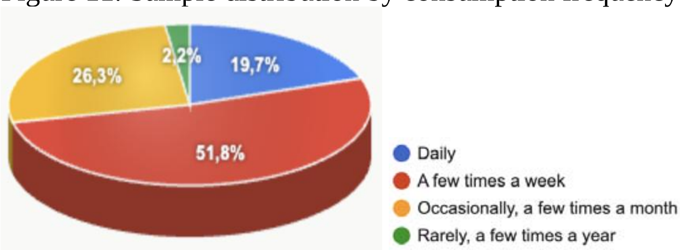
Figure 10. The proportion of the sample's preferences regarding where to purchase private-label agri-food products



Source: Analysis of survey responses

The ranking of preferred retailers for purchasing private-label products confirms the dominance of discounters: Lidl (80.3%), Mega Image (63.5%), Kaufland (54%), Carrefour (48.2%), Penny (17.5%), and Profi (13.9%). Lidl stands out as the clear leader in the minds of private-label consumers, which validates the effectiveness of its strategy to make its private label the primary reason for repeat store visits.

Figure 11. Sample distribution by consumption frequency

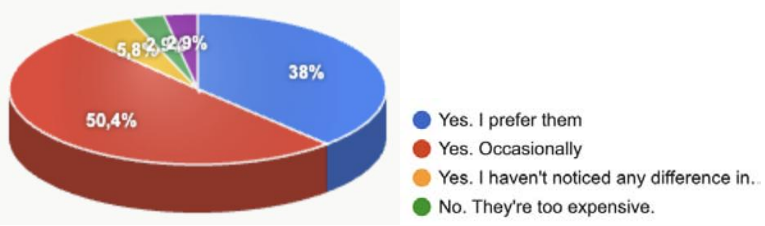


Source: Analysis of survey responses

In terms of purchase frequency, the data indicates that private-label products are no longer purchased on an occasional basis but are part of the regular shopping routine for a significant portion of consumers. This stability in purchasing behavior offers retailers a high degree of predictability and reinforces the role of private-label brands as pillars of household financial planning.

Perceptions of the quality of premium product lines

Figure 14. Sample distribution based on purchasing criteria and consumer impressions of private-label food and beverage products in the premium segment



Source: Analysis of survey responses

In addition, a significant portion of consumers reported purchasing premium private-label ranges such as Deluxe, Gusturi Românești, Carrefour L'Epicurien, and Exquisit, and a considerable proportion prefer them or consume them at least occasionally. This behavior shows that private labels have managed to move beyond the budget segment and compete directly with the premium products of national brands, offering elaborate recipes, more sophisticated packaging, and unique experiences.

Consumer Behavior Regarding Private-Label Products

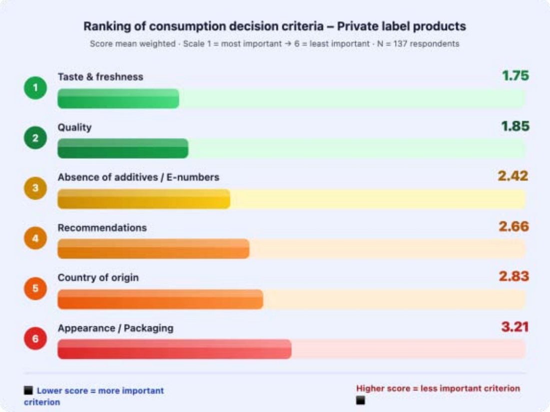
Figure 12. Ranking of Purchase Criteria for Private-Label Products

Source: Analysis of survey responses

A central focus of the research is the analysis of the criteria that influence the decision to purchase private-label food products. When asked to rank various factors, respondents gave the highest scores to the criterion of "quality," followed by lower prices compared to national brands and trust in the store selling the products.

In contrast, product packaging and design are consistently rated as less important, which validates the strategies of discount retailers, who prefer simple packaging and low marketing costs, directing resources toward the product's content.

Figure 13. Ranking of consumption criteria for private-label products



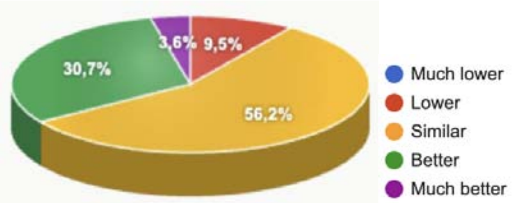
Source: Analysis of survey responses

When evaluating the criteria for purchasing private-label food products, respondents rank taste and freshness first, followed very closely by product quality. The country of origin of the products ranks in the middle, suggesting a genuine interest in provenance, especially in the context of promoting local products and traditional recipes.

For modern retailers, these results confirm that investments in recipes, raw materials, freshness, and quality control are decisive for the success of private-label brands, while packaging can remain relatively simple, if it clearly communicates the ingredients, benefits, and traceability of the products.

Willingness to recommend and implications for loyalty

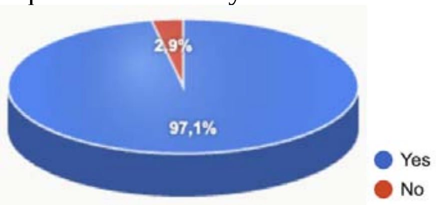
Figure 15. Sample distribution based on perceptions of the quality of private label vs. national brands



Source: Analysis of survey responses

The data confirms that over 89% of the sample rank private labels at least on par with manufacturers’ brands, confirming the process of growing consumer confidence and the erosion of the traditional competitive advantage of national brands. The research results highlight the effective communication strategies of major retailers such as Lidl, Kaufland, Carrefour, and Auchan, which actively promote the advantages of their private labels, emphasizing verified quality, affordable prices, and support for local producers.

Figure 16. Sample distribution based on recommendations of private-label agri-food products to friends/acquaintances/family



Source: Analysis of survey responses

One of the most important indicators of satisfaction and loyalty is the willingness to recommend products to others. The survey results show that approximately 95% of respondents would recommend that friends, acquaintances, or family members buy and consume private-label food products, with only a small portion preferring not to make such recommendations. This very high level of recommendation intent indicates strong confidence in the quality and value of private-label products and confirms that the image barriers historically associated with this segment have been overcome.

4.Conclusions

The study highlights the fact that agri-food products sold under modern retailers' private labels have moved beyond their status as "low-cost" alternatives and have become competitive options, frequently preferred by consumers for their favorable quality-to-price ratio.

The research outlines the profile of the "private label" agri-food consumer as that of a "smart shopper": a highly educated individual, capable of evaluating the quality-price ratio independently of brand prestige, prioritizing functional benefits (taste, freshness, absence of additives) over aesthetic elements and social influence (packaging, recommendations from family/friends). The study thus validates the business model of discount retailers. Furthermore, the success of premium ranges demonstrates that private labels can compete directly with national brands not only in terms of cost but also in terms of consumer experience and perceived value.

The 80.6% penetration rate of these products in the shopping basket, combined with a very high recommendation intent of 97.1%, indicates strengthened loyalty and a structural shift in Romanian consumers' perception of private-label food products.

For modern retailers, the main implications of the study are as follows: the need to maintain and communicate consistent quality, expand the private-label portfolio into niche segments (organic, allergen-free, local), intensifying in-store sampling as a conversion tool with the lowest cost per customer acquired, measures to increase transparency (e.g., highlighting the manufacturer on the label), and using consumer recommendations as a tool to strengthen loyalty. For local producers, developing partnerships with retailers in the private label sector can represent a significant opportunity for market access and increased visibility.

Overall, the outlook for private labels is promising, driven by persistent price increases, ongoing inflation, retailers' growing focus on their own portfolios, and evolving consumer behavior [3]. Romania is on a path toward convergence with Western European markets, where private label market shares range between 35-40%, compared to approximately 20% currently in our country [6].

The limitations of the research are related to the relatively small sample size and the use of a convenience sampling method, which calls for caution in generalizing the results to the entire population. Future research directions may include expanding the study to more representative samples, conducting comparative analyses across regions or retail formats, and undertaking in-depth qualitative studies on the emotional motivations associated with the consumption of private-label products.

5.Bibliography

[1] Abdelouahid, K., și Hind, B. (2024). *Private labels: Conceptual perspective and classification*. African Scientific Journal, 3(23), 220.

[2] Belaid, S., și Lacoeuilhe, J. (2025). *Private labels: objectives and challenges for retail chains*. În Elgar Encyclopedia of Retailing (pp. 326–332). Edward Elgar Publishing.

[3] Cherenkov, V., Sheresheva, M., Starov, S., Gladkikh, I., Tanichev, A., Berezka, S., și Yussuf, A. (2020). *Sustainability trends and consumer perceived risks towards private labels*. Entrepreneurship and Sustainability Issues, 8(1), 347.

[4] Economistul.ro (2025). *Doar 1 din 5 produse este marcă proprie în România – piața avansează, dar rămâne cu 49% sub media Europei de Vest*. Autor: Hurduc, M. Disponibil la: https://www.economistul.ro/opinii-si-analize/doar-1-din-5-produse-este-marca-proprie-in-romania-piata-avanseaza-dar-ramane-cu-49-sub-media-europei-de-vest-85938/

[5] Gielens, K., Ma, Y., Namin, A., Sethuraman, R., Smith, R. J., Bachtel, R. C., și Jervis, S. (2021). *The future of private labels: Towards a smart private label strategy*. Journal of Retailing, 97(1), 99–115.

[6] Janska, M., și Zambochova, M. (2025). *Consumer perception of private labels: A case study of the Czech Republic*.

[7] Maharani, N., Helmi, A., Mulyana, A., și Hasan, M. (2020). *Factors influencing purchase intention on private label products*. The Journal of Asian Finance, Economics and Business, 7(11), 939–945.

[8] Ndlovu, S. G. (2024). *Private label brands vs national brands: new battle fronts and future competition*. Cogent Business & Management, 11(1), 2321877.

[9] NielsenIQ (2024). *The rise of private labels: A global perspective on growth and consumer trends*. Disponibil la: https://nielseniq.com/global/en/insights/analysis/2024/the-rise-of-private-labels-a-global-perspective-on-growth-and-consumer-trends/

[10] Profit.ro (2025). *Consiliul Concurenței semnalează ce se întâmplă în magazine: tot mai multe produse marcă proprie în România*. Disponibil la: https://www.profit.ro/povesti-cu-profit/retail/consiliul-concurentei-semnaleaza-ce-se-intampla-in-magazine-tot-mai-multe-produse-marca-proprie-in-romania-22239257

[11] Rita, P., Guerreiro, J., și Omarji, M. (2021). *Autonomic emotional responses to food: Private label brands versus National Brands*. Journal of Consumer Behaviour, 20(2), 440–448.

[12] Statista (f.a.). *The Statistics Portal*. Disponibil la: https://www.statista.com/

[13] Topfirme.com (f.a.). *Bază de date companii România*. Disponibil la: https://www.topfirme.com/

[14] Valaskova, K., Kliestikova, J., și Krizanova, A. (2018). *Consumer perception of private label products: An empirical research*. Journal of Competitiveness, 10(3), 149.

[15] Veloso, C. M., Pinto, J., Calado, S., și Sousa, B. (2026). *Understanding consumer loyalty to private labels: a structural equation modelling study in food retail*. British Food Journal, 1–16.