

Stores Brands

<https://storebrands.com/financial-expert-calls-power-private-label-top-trend-food-and-beverage>

Financial expert calls ‘power of private label’ the top trend in food and beverage

By [Dan Ochwat](#) - 12/17/2019

A financial expert at Marcum LLP named the growth of private label as the number one food trend to keep an eye on in food and beverage over the next three years, saying private label is no longer a sideshow.

Louis Biscotti, national leader, food and beverage services group at Marcum, New York, wrote a guest [column in Forbes](#) that covered five trends in food and beverage as 2019 closes and 2020 begins. The power of private label was his top trend, noting that Costco’s Kirkland brand alone has been valued at roughly \$75 billion, a massive consumer product brand in its own right.

Wielding more power than ever before, Biscotti cited research published in the Harvard Business Review that said during the late ’90s, store brands enjoyed higher unit sales vs. national brands in 77 of 250 grocery categories, and ranked second or third in 100 of the categories. His prediction is that by the year 2023, private brands will move on from being in a minority position to a majority position in retail stores.

Biscotti bases this growth on consumer loyalty for private brands and the higher margins private label products take advantage of since retailers don’t need to recoup the money spent on marketing.

Other trends highlighted in the article by Biscotti included an increase in ghost kitchens with delivery services like Grubhub and DoorDash becoming more popular. He cited CBD and plant-based foods as trends, assuming the Food and Drug Administration settles on a positive position ([see this article](#) in *Store Brands*), and plant-based labeling gets more standardized. Lastly, clarity around cell-based foods grown in labs will occur in the near future, Biscotti wrote.