

**MARCABYBOLOGNAFIERE AND THE PRIVATE LABEL MARKET GROW TOGETHER
PRIVATE LABELS EVER MORE POPULAR WITH CONSUMERS:
IN ONE IN TWO CASES THEY ARE THE PURCHASERS' FIRST CHOICE
BUSINESS VOLUME FORECAST TO REACH 11 BILLION BY 2020**

On **16 January MarcabyBolognaFiere**, the reference event for the Private Label sector, is set to open. The event is **organised by BolognaFiere in collaboration with ADM** (the Association for distribution and retail) and focuses the attention of the entire business community on the Private Label sector. It is a segment of the market that is experiencing significant development: Private Labels make up 1 purchase in 5 in the mass retail sector, they are developing loyal customers, a growing assortment of products and ranges and they represent innovation, compared with industrial products, within a panorama of consumption of food products and non food that has experienced zero growth.

The interest in MarcabyBolognaFiere is highlighted by the statistics for the event, which has reached its **15th edition: 750 companies and 38,000 m² of exhibition space** organised across four pavilions (+8% compared with 2018) including pavilions 29 and 30, which have been recently inaugurated as part of the restructuring and extension project under way at the Bologna Exhibition Centre; a project that involves an investment of 100 million euros and has the overall objective of completing a total of 14 thousand m² of exhibition space by 2022.

These statistics underline the growing importance of a fair with a perspective that stretches beyond Italy's borders and that welcomes delegations of **international buyers from 14 countries**, thanks to an incoming visitor programme developed in collaboration with **ITA – the Italian Trade Agency**.

Private Label Products are now close to achieving a **20% share of the market**, developing a **business volume of around 10.3 billion euros**, and the forecast is that this will rise to **11 billion by 2020**, serving as genuine drivers for the Italian food industry, as highlighted by the previews of two key events at Marca: the opening convention *"Security, traceability and quality of Private Labels for safeguarding the consumer - What is the role for modern retail and how relationships with co-packers are evolving"* (10am - Gallery Hall, pavilions 25-26), organised by ADM in collaboration with **The European House – Ambrosetti**, and the presentation of the *"XV Marca Report on the evolution of Private Label products in Italy - Guarantees and values of the Private Labels"* (10am Gallery Hall, pavilions 25-26), organised by BolognaFiere in collaboration with ADM, curated by **IRI and Nomisma**.

The leap forward made by Private Labels is worth around 30% of the total growth of the food industry, in which in the last 14 years Private Labels have more than doubled their share, today at 7.3%. Diversification and the increase in references, personalization of product ranges, innovations in packaging, clarity concerning traceability and security assurances for the products are the features that have provided the impetus and enabled the Private Label market to make advances, boosting the reputation of the products and trust amongst consumers. Last year, for the first time, the share of "premium" Private Label products exceeded that of the "first price" segment. Now, for one in every two consumers Private Label products are the first choice rather than being a substitute for an industrial brand, this behaviour has been observed especially in the sectors for fresh food, meat, salamis, fruit and vegetables.

"For 15 years the main retail groups involved in grocery retail and the co-packers have found in MarcabyBolognaFiere the reference event for the Private Label sector," commented Gianpiero Calzolari, President of BolognaFiere. "An opportunity for international networking that involves the entire production and distribution chain, a strategic occasion for the analysis of market trends also through the tools that we

make available to the operators for business planning and for activating new commercial contacts. Two days of business meetings, workshops and debates give life to an event that is eagerly awaited by the business community.”

At MarcabyBolognaFiere operators from all corners of the industry can develop relationships with the leading grocery retail groups - the line up of which for this edition has been enhanced by the participation of three new retail groups: Acqua&Sapone, MD and Sun Supermercati Uniti Nazionali - the co-packers and retail groups will present their own products and innovations concerning Private Labels, and the foreign buyers will be able to explore the possibility to import Italian products, which are increasingly in demand, directly to their countries.

Security, traceability and quality are among the factors behind the success of Private Labels and, on **Wednesday 16 January**, will be at the heart of the debate at the **inaugural convention** of MARCABYBolognaFiere 2019. “*Security, traceability and quality of Private Labels for safeguarding the consumer*” is, in fact, the title of the event promoted by ADM, chaired by the *Corriere della Sera* columnist Ferruccio De Bortoli and with the participation of esteemed chef Davide Oldani. The event will involve the presentation of the report on these specific themes developed by The European House - Ambrosetti.

“Each year in Italy 2 million 300 thousand tests are carried out on products each year in grocery retail points, including controls by the responsible authorities – ASLs (Regional Health Authorities) and NAS (Carabinieri health inspectors) and others – in addition to self-monitoring activities,” explained **Giorgio Santambrogio, President of ADM**. “Every distribution company, in fact, has its own Quality Office that carries out further tests both concerning industrial companies and the tens of thousands of references present in the range. Even more frequent controls are carried out on Private Label products,” he added. “With the Ambrosetti Report, which will be presented at MarcabyBolognaFiere, we will have available a unique map of the stakeholders when it comes to product security.”

A particularly eagerly awaited event for the operators from the sector is that of the **XV MarcabyBolognaFiere 2019 Report**, which will provide its annual overview of the evolution of Private Label Products in Italy, the presentation of which is due to take place on **Thursday 17 January** at 10am.

Together with the results of a year of Private Label monitoring, performance, role, consumer perception and new challenges are the main focuses of the analysis developed in the Report promoted by BolognaFiere in collaboration with ADM and curated by IRI and Nomisma.

The Report highlights the driving role of some trade categories, in which now Private Label products are ahead of their industrial brand counterparts. 39% of Italians choose Private Label meat and fish compared with 21% that prefer industrial brands. Distance is also important in the fruit and vegetable sector, with Private Labels boasting more than a 15% advantage compared with industrial branded products (31% and 14% respectively).

The trends that are driving the development pathway of Private Labels will be examined in the programme of meetings that accompany the MarcabyBolognaFiere exhibition.

Packaging will take centre stage at Marca through two initiatives, both scheduled for **Wednesday 16 January** (at 2pm). First up is the convention “*Packaging design and innovation: processes, communication and markets*”. Then the Postgraduate School of the IED (European Design Institute) in Milan in collaboration with BolognaFiere have organised the third edition of the **ADI Packaging Design Award** (5pm), which will showcase the most innovative solutions on display at the stands, selected during the first day of the event by a commission of experts. The collaboration between the Design Institute and

MarcabyBolognaFiere is also set to see the important activation, in the coming academic year, of a specialist training course dedicated to designers and packaging professionals, in order to help them to manage the procedures required by the continuous innovation in the sector.

The growth in sales of organic products completes the line up of meetings with an event curated by **AssoBio** on the second day of MarcabyBolognaFiere: the theme will be the focus of the convention “*All together now (how to manage an organic line and live happily)*” (at 2.30 pm). According to the analyses that will be presented at the Fair, Private Label organic ranges with are experiencing notable success amongst the public, echoing one of the trends that is most appreciated on the food market on a global level and one that has really exploded in the last decade.

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