

# Parents turn to private labels as the rising cost of living bites

The rising cost of living has seen many South African parents considering private labels as a cheaper alternative to established baby brands.



Photo by [Terricks Noah](#) on [Unsplash](#)

Private label, also known as generic brands or no name brands, are increasingly taking space in most mothers' grocery baskets and baby essentials. This trend presents both challenges and opportunities for brands that cater to the mom and baby market as the parenting landscape is evolving - brands must remain agile and responsive to consumer mindsets and sentiments by catering to their needs.

Says Ronald Govender, the Fast-Moving Consumer Goods (FMCG) executive at Dis-Chem Baby City: "Income dynamics are fluctuating and living costs are rising and we see our consumers, particularly new moms and dads, becoming increasingly mindful of their spending habits. We have seen an uptake for private labels especially nappies, while sales for established brands have taken a dip."

Govender says over the last 24 months perceptions towards generic brands for baby have gradually improved, gaining market share.

Meanwhile recent numbers from global research platform [Macrotrends](#) show that while the birth rate has declined from 1,67% in 2020 to 1.3 %, the country's birth rate remains steady, with about one million births recorded annually. This influx of new families into the parenting sphere highlights the significance of the market and the impact babies have on the economy and society at large.

Govender says most parents agree that raising children comes with significant financial implications which vary depending on their ages. "With expenses evolving over time there are substantial costs during the first 18 months, followed by a levelling off after two years, with gradual yearly increases thereafter."

He said in the fast-paced world of parenting, brands must recognise that each year ushers new parents into the baby market. Understanding the dynamics and shifts in their consumption behaviour is crucial for brands seeking to connect with and serve this influential demographic.

"Babies hold considerable sway in shaping household decision-making, whether it's selecting a pram, a baby-friendly car or prioritising nutritious foods for a well-rounded diet."

Govender adds, "Safety is paramount for parents and brands need to create a 'safe space' for parents to make informed purchasing decisions by aligning their messaging with the values. Whether it's through highlighting product safety features, health benefits and even providing educational resources, brands can establish trust and loyalty with their audience."

Brands must closely heed the health consciousness of consumers, especially parents who refuse to compromise on their children's nutrition. This persistent commitment has spurred a rising demand for organic foods. At the heart of this trend are vigilant mothers whose concerns increasingly revolve around their babies' gut and overall health.

"New moms are placing a growing emphasis on their mental well-being, recognising its significant impact on the health and development of their babies. As a result, brands should heighten their awareness of the critical nature of maternal health, particularly during the prenatal and postnatal periods," Govender says.

"Moreover, by understanding the dynamics of consumer behaviour and responding accordingly, brands will help parents in navigating the competitive market which requires staying attuned to parental trends and preferences," he says.

For more, visit: <https://www.bizcommunity.com>