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## Amazon will reportedly soon sell its own private-label groceries

Posted May 15, 2016 by [Fitz Tepper \(@fitztepper\)](#)

Amazon will soon roll out its own private-label brands of common household items like coffee, diapers, and other perishable groceries, according to a report [from The Wall Street Journal](#).

The [offerings will consist](#) of perishable goods like baby food, tea, coffee, spices, and non-perishables like laundry detergent. These products will live under brand names like Happy Belly, Wickedly Prime, and Mama Bear.

The launch is rumored to come as soon as later this month, and will only be available for purchase by Amazon Prime members. If the quality and price of the goods are competitive, these products could act as another reason for shoppers to sign up for the \$99 per year membership.

The e-commerce giant already sells some private-label goods under its [Amazon Basics](#) line, which is mainly composed of consumer electronics devices like USB cords and disposable batteries. The company also [recently launched](#) multiple in-house clothing brands, further signaling that they are willing to diversify their private-label offerings.

But private-label merchandising is hard. In 2014 Amazon [had to recall](#) its Element brand diapers due to a design flaw. With edible goods the stakes are only higher, and one slip up could tarnish the reputation of the e-commerce giant's future private-label offerings.

But, if Amazon is able to convince customers to switch away from their preferred brands in favor of Amazon's private-label alternatives, they have the potential to dramatically increase profit margins on historically low-margin products like groceries.

SOURCE:

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