Increased Costs Reshape the American Shopping Cart, Southern Professionals Contend the Value Channel Is Where Brands Win

With ~75% of U.S. households trading down, the veteran broker urges CPG brands to rethink how they win at Walmart, Sam's Club, and the dollar channel.

BENTONVILLE, AR, UNITED STATES, August 7, 2026 /EINPresswire.com/ -- Consumer prices are cooling, but American shoppers are not letting their guard down — and neither should the brands trying to reach them. That is the message from Southern Professionals, Inc., a leading retail brokerage that has represented consumer packaged goods (CPG) brands in the value channel since 1979.

The latest Consumer Price Index reading showed inflation easing to 3.5% for the twelve months ending in June 2026, down from a 4.2% peak in May — the highest annual rate since April 2023. Core inflation slipped to 2.6%, and food prices moderated to roughly 3%. Yet even as the headline number falls, prices remain well above the Federal Reserve's 2% target, and the cumulative run-up over the past several years continues to weigh on household budgets.

The result is a shopper who has fundamentally changed how they buy. Recent industry data shows roughly three out of four U.S. households have "traded down" — switching brands, sizes, or stores in search of better value — a behavior now common across income levels, not just among lower-income consumers. That shift is fueling growth for the exact retailers Southern Professionals specializes in: Walmart, Sam's Club, The Home Depot, Dollar General, Dollar Tree, Family Dollar, and Tractor Supply.

"Every time the cost of living tightens, the value channel gets a front-row seat to the American economy," said Bert Blackburn, CEO of Southern Professionals. "The opportunity for our manufacturers has never been bigger. But opportunity and execution are two different things — and that gap is exactly where a good broker earns their keep."

A Conversation with CEO Bert Blackburn

Q: Inflation is finally cooling. Isn't the hard part over for retailers and their suppliers?

"Not even close. The rate of price increases is slowing, but prices themselves are still high, and shoppers remember every one of those increases. The consumer we serve today is more deliberate than they were three years ago. They compare unit prices; they buy the store brand; they wait for the deal. So even as the macro numbers improve, the pressure on a manufacturer to prove their value at the shelf is greater than ever."

Q: You represent brands in the value channel specifically. What does inflation mean for that part of retail?

"It means the spotlight is on us. When budgets tighten, higher-income households start shopping the same aisles our core customers have always shopped. That's a tremendous tailwind for retailers like Walmart, Sam's Club, and the dollar stores. But it also means the buyer's desk is more competitive than I've seen it in years. More brands are chasing the same shelf space, and the retailers are being ruthless about what earns a spot. You don't win that fight with a good product alone. You win it with the right price architecture, clean item setup, strong replenishment, and a relationship with the buyer built on trust."

Q: What's the biggest mistake you see brands make in an environment like this?

"Two things. First, they under-invest in understanding the shopper. Price elasticity isn't a guess — you can model exactly how a price change will move your volume, and too many brands are flying blind on that. Second, they treat the retailer relationship as a transaction instead of a partnership. Merchants change desks, categories get reset, line reviews come fast. If you're not staying on top of who's managing what and what the retailer's strategy is quarter to quarter, you get left behind. That's the work we've been doing since 1979."

Q: Private brands and private label keep coming up in these conversations. Why?

"Because value-conscious shoppers have made private brands respectable — even preferred. What used to be the 'cheap alternative' is now, in many categories, the smart choice, and retailers know it. That's a real opportunity for manufacturers who can produce quality at a competitive cost. Launching and managing a private brand program well is a discipline of its own — the item creation, the compliance, the analytics, the on-time execution — and it's become one of the most valuable things we do for our clients."

Q: If you had one piece of advice for a brand watching all this from the outside, what would it be?

"Get in the game with a plan, not a hope. The value channel is where the American consumer is voting with their hard-earned money right now. But these retailers move fast and expect suppliers to be prepared. Come to the table with your pricing understood, your forecast defensible, your data clean, and a partner who knows the building. Do that, and inflation stops being a threat and starts being your opening."

The Bottom Line for Brands

Southern Professionals works with manufacturers to translate today's affordability-driven shopping behavior into shelf placement and sustainable growth. The firm's services span new brand launches and private brand programs, category management and replenishment analytics, price elasticity and forecasting, content management for retailer dot-com teams, item setup across systems including Retail Link and 1WorldSync, and day-to-day vendor compliance support. With teams in Bentonville, AR, Chesapeake, VA, Nashville, TN and Woodstock, GA, the firm offers local, hands-on representation to the buyers who define the value channel.

"Our clients don't just want to survive this economy — they want to grow in it," Blackburn added. "That's the whole job. We help great products get in front of the shoppers who need them most, at a price that works for everyone."

About Southern Professionals, Inc.

Southern Professionals, Inc. is a full-service retail brokerage firm based in Bentonville, AR, and Woodstock (Atlanta), GA. Since 1979, the company has partnered with manufacturers and retailers to build distribution and drive growth in the value channel, representing CPG brands at Walmart, Sam's Club, The Home Depot, Dollar General, Dollar Tree, Family Dollar, and Tractor Supply. Southern Professionals is a team-oriented company built on relationships, analytics, and a commitment to delivering premium service to every client. Learn more at https://southernprofessionals.net.

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