

# Tillamook's Road To Becoming A Top Shelf CPG Brand

**F** [forbes.com/sites/jefffromm/2023/05/03/tillamooks-road-to-becoming-a-top-shelf-cpg-brand/](https://forbes.com/sites/jefffromm/2023/05/03/tillamooks-road-to-becoming-a-top-shelf-cpg-brand/)

Jeff Fromm

May 3, 2023



Today, consumers expect companies and their brands to answer tough questions the correct way. Was the brand made with practices that are good for people and the planet? Was it produced by a values-led organization committed to doing its part to better society? Does the organization behave with integrity in the marketplace, while respecting the communities where it operates? Does the company operate with transparency?

Honestly answering these questions is key to earning customer's trust and loyalty, which, in turn, leads to success in the consumer packaged goods industry. Think about it. The consumable items you trust and rely on are often those you buy consistently, which is why it's the ultimate goal for CPG brands.

Entrance to the Tillamook Creamery and cheese factory in the city of Tillamook along the northern ...  
[+] Oregon Pacific coast. (Photo by: Don & Melinda Crawford/Education Images/Universal Images Group via Getty Images)

Education Images/Universal Images Group via Getty Images

“Throughout the Tillamook County Creamery Association, we work hard to make our answers better than the day before, the year before — and as a 114-year-old dairy cooperative — the generations before. This dedication has helped us become an everyday premium brand,” said Patrick Criteser, President & CEO Tillamook.

With deep Oregon roots, TCCA has grown from a heritage brand in the Pacific Northwest to a beloved, nationally distributed, \$1 billion brand. But they didn’t just flip the switch. They started testing on the West Coast, proving retailers and themselves that providing specialty at scale would work and shoppers would “buy up” for better-quality dairy products. Success was gradual, but today, nearly 1 in 4 American households purchase Tillamook.

“Everyday premium is a coveted positioning in today's marketplace,” explained Brad Hanna, a leading CPG brand strategist. “Brands can define everyday premium by a more relevant product experience or through stronger connections to consumer belief and values such as sustainability or a purposeful brand promise. Everyday premium brands tend to drive higher loyalty, stronger price positioning, and less of a reliance on promotional price tactics.”

#### MORE FROM FORBES ADVISOR

Simply put, there has been a shift in premium perception from the price tag to broader business practices. I believe this evolution will endure and will grow even more pronounced over time. In fact, recent research from [Hartman Group's 2021 Sustainability Report](#) indicates that approximately 43% of consumers prioritize purchasing from companies that align with their values. How do sustainability and corporate social responsibility efforts factor into “everyday premium” positioning? We know that [sustainability considerations](#) are playing an increasingly significant role in consumer purchase decisions. According to that same Hartman Group Report, 84% of consumers participate in sustainability, and two-thirds of consumers consider sustainability when shopping at least sometimes, an increase of 80% compared to 14 years ago. Companies typically choose either a value play or the super-specialty space when aiming to earn a premium label. For Tillamook, providing “everyday premium” means creating top-quality dairy products that are accessible and affordable enough for daily enjoyment. But they also make sure to give back to the farmers and communities that make creating their products possible.

As a farmer-owned co-op, their farmer-owners want to ensure the product is reflective of their demanding work and overall efforts to care for their cows and farms. It is important to the multigenerational owners, with their name and hometown prominently displayed on the packaging, that they make and sell a quality product.

Consumers are reaching for premium products more often as well. The percentage of premium food consumption has grown in comparison to commoditized offerings. For example, today, [specialty coffee](#) is at least twice the market size of commodity coffee. The

same dynamic is happening in dairy. Consumers are often willing to pay more for higher-quality offerings.

Criteser, Tillamook CEO, continued, “The growth of Tillamook as an everyday premium brand means we can pay our farmer-owners well above market price and distribute annual earnings back to them. We can create employment and growth opportunities for 900+ employees, while offering a culture of inclusion. We also prioritize giving back in meaningful ways to the communities where we live and work.”

All these attributes contribute to what it means to be a “premium” brand.

Jeff Fromm