

The Numbers Behind Shrinkflation in the Food and Beverage Industry

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The practice of decreasing food and beverage product size, quantity and/or mass without lowering the price—better known as “shrinkflation”—has drawn considerable scrutiny from consumers, media outlets and governments around the world.



73%

of U.S. consumers rank shrinkflation as a major concern

58%

feel that selling smaller products for the same price is unacceptable

Shrinkflation is **worst in the snack aisle**, but the effects are felt across many popular product categories.

Percent of Price Increase Attributed to Shrinkflation

Snacks – **10.3%**
Coffee – **7.2%**
Ice Cream and Novelties – **7%**
Candy and Gum – **7%**
Processed Produce – **5.4%**



Food and beverage businesses risk brand reputation and customer satisfaction when they employ shrinkflation to mitigate rising costs. Product lifecycle management (PLM) software can help you reformulate products to be more cost-effective without skimping on size or quantity with these features:

- » **Precision formulation tools** to fine-tune recipes and improve affordability without sacrificing volume or quality
- » A **cost optimizer** that works within your pre-specified fixed and variable parameters to make recipes more economical
- » A **vendor portal** that facilitates communication and collaboration with suppliers of more budget-friendly alternative ingredients
- » **Mass replacement functionality** to apply formula changes consistently across a suite of similar products to enhance profitability



Ready to learn more about PLM and its broad utility in the food and beverage industry?

Explore how reformulation can help you overcome supply chain disruptions.

Discover the features and benefits of our purpose-built PLM.

Get to know PLM software and how it acts as a “single source of truth” in NPD.