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What? America’s Favorite Brands Are Slimming Down, Too?

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It’s a New Year, and consumers aren’t the only ones slimming down.

So, too, are packaged goods companies. From PepsiCo to Kraft Foods to Campbell Soup Co., makers of some of America’s most well known products are trimming the calories and content when it comes to packaging.

That’s per new research issued by ConsumerReports.org today. In it, the independent product review site listed 10 examples of household and grocery products that have decreased in size, thanks to packaging shrinks, in part due to rising commodity and energy costs, that is.

Häagen-Dazs’s ice cream container, for instance, went from 16 to 14 ounces, a reduction of 12.5 percent. ConAgra Foods’ Hebrew National franks are now 11—not 12—ounces. Even household products are not immune: anti-chafing gel Lanacane, part of Combe Inc., is now 99 and not 113 grams. A 12.4 percent difference, damn it. And Kraft sliced the weight of its 2% Milk Singles and Fat Free Singles from 16 to 14.7 ounces last May.

Package shrink is, by no means, a new tactic to either the consumer or manufacturer. Indeed, it has been going on for a while, most frequently during times when ingredient costs are soaring high. And calorie-conscious consumers, newly refreshed from their 2011 vows, might actually have something small to cheer about. After all, smaller amounts of product might, hopefully, lead to smaller waistlines. But in this day and age of social and digital media, when today's cost-conscious consumer is much more smartly trained to detect such downsizes, even if unannounced, can such maneuvers actually hurt advertisers?

Robert Passikoff, CEO and founder of Brand Keys, a New York-based consultancy that specializes in brand engagement and loyalty, says most definitely yes. Social media's prevalence and transparency aside, consumers, over the last two decades, have just become smarter shoppers, and such changes, even if subtle, aren't likely to go unnoticed.

"The genie is out of the bottle. You can't put it back," he quips, adding that advertisers, despite such realizations, often resort to package shrink as it's an easier way of containing ingredient costs. Consumers, especially in today's tough economy, are more likely to balk if such increases get passed along in the form of price hikes.

Such responses may be more of a factor of psychology. Either way, consumers lost out. Package downsizes typically aren't accompanied by price adjustments, as *Consumer Reports* notes.

Though most instances of package shrink happen stealthily, some marketers, such as PepsiCo, make it up by publicly announcing the changes. Such was the case when the company's Tropicana brand announced that it was reducing the packaging on one of its most popular orange juice cartons by about 8 percent, in addition to raising the price, to cope with a severe citrus crop loss in March. At 59 ounces, which is how its Pure Premium juice is still sold, the product's slimmed down size is "still in line with where some industry competitors already were," writes company spokeswoman Gina Judge in an e-mail.

"We were forthcoming with the information since early last spring with the specific goal of making sure consumers weren't surprised," she adds of the company's disclosure.

Instances of forthcoming responses like these do serve to mitigate some of consumers' complaints. At the very least, companies won't look like they're trying to pull a fast one on consumers, Passikoff says.

Regardless, some consumers are bound to complain as Consumer Reports found that some instances of package shrink were as high as 20 percent. Procter & Gamble's Ivory dish detergent, which went from 30 to 20 ounces, was one.

So, what's a penny-pinched consumer to do? After all, corporations and consumers alike have been groaning about doing more with less for some time now. Among its list of "solutions," the product review site suggested purchasing items in bulk, comparing unit price and trying store brands. But private label manufacturers, too, aren't completely off the hook when it comes to package shrink. Commodity costs impact branded and private label companies like.

Nor are offering coupons to distressed consumers a viable option. The latter is a tactic some marketers have utilized to satisfy annoyed customers. Such a strategy may put off some extra headache in the short-term, but it's not sustainable in the long run, says Lynn Dornblaser, a consumer-products analyst at market research firm Mintel.

ABOUT ME

Hello! I'm a media/marketing reporter for Forbes. I write for the CMO Network as well as our newly launched Sales Leadership channel. (Think: "Sales" equivalent of a chief marketing officer for the latter.) Before that, I covered advertising/marketing at AdweekMedia (Adweek, Brandweek and Mediaweek) where I wrote about everything from hilarious toilet paper campaigns (Georgia-Pacific) to tissue paper wars (Kleenex versus Puffs!) to more serious stories, including a profile of Procter & Gamble's (then incoming) global marketing (and now also brand building) officer, Marc Pritchard. These days, I'm more focused on the emerging media side of things—i.e., digital, social and mobile media trends. I hail from Philadelphia (Penn '07 graduate), and, when I'm not poking around for the next big marketing story, I can often be found downloading apps (to the point where my smartphone explodes), cartwheeling or doing splits in the middle of the living room. (Needless to say, my parents are appalled.) Always on the lookout for interesting new digital work and marketers (and sales leaders) to talk to. You can reach me at elaine.wong@forbes.com or direct message me on Twitter: @ElaineWong85.
Oh, yes, and one quirky fact about myself: I once wore a mitten during a press interview as I had to shake the executive's hand and my pen had exploded all over my sleeve (and right hand). The woman didn't notice, but she was probably wondering why I had my coat and mitten on inside a Florida hotel. (I later got the ink off with a bottle of baby oil.)
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Other "offenders" that made it to the list include Costco-owned Kirkland Signature paper towels (85 to 96.2 sq. ft), Kimberly-Clark's Scott toilet tissue, which was squeezed from 115.2 to 104.8 sq. ft. and Chicken of the Sea's canned salmon (3 to 2.6 ounces).

Readers, what do you think? Is there a more effective way of coping with rising ingredient costs besides package shrink? Are you more likely to purchase store products when your favorite brands trim down?

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