

WHO'S SHRINKING MY DRINK!

Companies have long reduced product sizes without lowering prices. Why are more people starting to notice? BY CHRISANNE GRISÉ



Gatorade bottles used to hold 32 ounces (left) but now hold 28. The price didn't decrease after the redesign.

TikTok star Keith Lee sat in his car one evening this spring, examining a bowl from Chipotle Mexican Grill for a video that he'd later share with his more than 16 million followers. Using a fork, he dug through the meal, asking, "Where's the chicken at?"

The video garnered more than 2 million likes and fueled dozens more videos of disgruntled customers walking out of Chipotle or of employees serving what customers deemed "shrinking portions."

Amid the backlash, Chipotle's chief executive at the time, Brian Niccol, firmly denied the company's portion policies had changed.

"There was never a directive to

provide less to our customers," he said in July. "Generous portion is a core brand equity of Chipotle. It always has been, and it always will be."

Companies have long been accused of sneakily decreasing the size of products—from air-filled bags of chips to smaller candy bars—while charging the same price. This practice is known as "shrinkflation"—a combination of the words "shrink" and "inflation." If you look closely at your box of cereal, for example, there's a decent chance you'll find it holds less than one purchased a year ago.

No evidence has come to light that Chipotle was

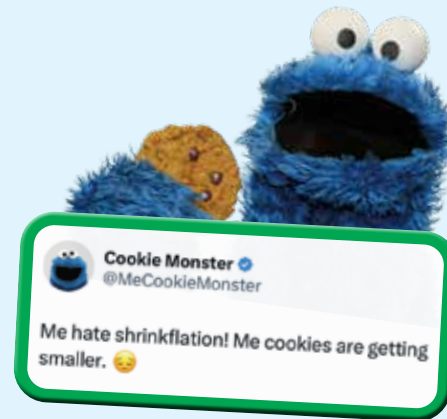
intentionally downsizing its portions. And of course, at any given restaurant, the individual serving the food ultimately determines meal sizes. But the incident highlights how upset people can get when they think a company might be trying to rip them off.

Even Muppets aren't immune. "Me hate shrinkflation!" Cookie Monster posted on X in March. "Me cookies are getting smaller."

So if it riles consumers, why do companies engage in the practice?

Because they've studied consumer behavior, says Edgar Dworsky, founder of ConsumerWorld.org and MousePrint.org, two sites that educate

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shoppers. Companies know that people tend to be price conscious but also that they typically don't pay attention to the net weight, or the amount of product in the package (see chart). So manufacturers shrink the package and/or the contents and hope no one will notice. "That still is a price increase," Dworsky says. "It's just a back door price increase."

Clever Marketing

Shrinkflation has been an obvious corporate strategy since at least 1988, experts say, when Chock full o'Nuts cut its 1-pound coffee canister to 13 ounces. Its competitors followed suit.

The practice has since become common in all kinds of products, particularly grocery items. In one famous example, Dannon used to sell yogurts in larger containers than its competitor Yoplait—8 ounces versus 6. Consumers were convinced that Dannon's yogurt was more expensive, not picking up on the fact that it was simply bigger. Eventually, says John Gourville, a professor at Harvard Business School, the company caved and shrank its packaging.

"Sales of Dannon's yogurt, which declined immediately after the size reduction, have since rebounded," *The New York Times* reported in 2003. "And Dannon is now pocketing a larger profit on every cup of yogurt it sells."

Companies may shrink a product when the cost of making it increases—if, say, one of the ingredients becomes more expensive. They often make subtle changes to the packaging, so it's hard for shoppers to tell they're getting less, like increasing the size of an indentation in the bottom of a jar, shaving the corners from a bar of soap, or making a cereal box slightly thinner. And they might try to hide the downsizing with clever marketing, touting a skinnier drink bottle as easier to hold, for example.

Online Indignation

Although companies have used shrinkflation as a tactic for decades, the outrage today has reached new levels. When raw material costs climbed during the Covid pandemic and inflation frequently made headlines, consumers most likely understood that companies needed to pass some of those increases along, experts say. But inflation has

since cooled, easing back down after peaking in July 2022. Consumers might be less willing to accept shrinkflation now that businesses face less severe cost pressures.

"I can see consumers becoming more and more aware of the existence of shrinkflation," says Jun Yao, a marketing lecturer at Macquarie University in Australia.

Social media also plays a role, notes Dworsky. From TikTok videos to Reddit posts, plenty of online commentators decry shrinking product sizes.

"It really has caught the public's fancy," Dworsky says.

No federal law prohibits companies from downsizing products without alerting consumers, though false advertising can lead the Federal Trade Commission, which monitors advertising in media, to take action in court. Some countries, such as Brazil and France, have passed laws requiring companies to disclose when they

downsize a product without a commensurate drop in price. Similar measures seem unlikely to come to the U.S., however. Although a few bills have floated around in the U.S. Congress, experts remain skeptical that they'll pass anytime soon.

So what can consumers do? Dworsky suggests checking the net weight on anything you buy and keeping track of how it changes over time. And if you don't like a company's tactics, you can look for a competitor that hasn't downsized its products as much.

"The almighty dollar," he says, "really speaks loudly to companies." •

With reporting by Jeanna Smialek and Sarah Hurtes of *The Times*.

WATCH A VIDEO Manufacturers Quietly Shrinking Package Sizes at UPFRONTMAGAZINE.COM

Shrinkflation is particularly common among grocery store items.

Unit Price	You Pay	Unit Price	You Pay
50¢ Per Oz.	\$5.00	40¢ Per Oz.	\$6.00

Unit price is the cost per ounce. \$5 ÷ 10 oz. = 50¢

Even though this bag costs more, it's the better value.

Sneaky Price Increases
Rise in unit prices for various product categories, 2019-23

Household Paper Products	35%
Candy & Chewing Gum	30%
Snacks	27%
Household Cleaning Products	25%
Coffee	22%

SOURCE: BUREAU OF LABOR STATISTICS