



The Nielsen Company  
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# Media Alert

## **NIELSEN: NEARLY HALF OF U.S. CONSUMERS PREFER MANUFACTURERS OFFER LARGER, ECONOMY SIZES TO DEAL WITH RISING FOOD AND PERSONAL CARE PRICES**

In today's struggling economy, more than half (58 percent)<sup>1</sup> of U.S. consumers are "very concerned" about rising food prices. As consumer packaged goods (CPG) manufacturers and retailers employ options to manage abnormally high cost increases due to raw material and other expenditures, consumers voice their preferences on how CPG manufacturers and retailers should handle rising costs. According to The Nielsen Company:

- Nearly half (47 percent) of consumers surveyed prefer CPG manufacturers offer large, economy sizes with lower price points per serving.
- Only 17 percent of consumers prefer CPG manufacturers introduce new, smaller pack sizes at lower prices.
- Nine percent of consumers suggest CPG manufacturers downsize or modestly reduce the packaging size of products, keeping the price of the product the same.
- Other options include raising the prices of existing items proportionally (8 percent); offer fewer sales (8 percent); offer the same number of sales, but at less of a savings (7 percent); and produce slightly lower quality products, but keep the price the same (4 percent).

"Without question, this is an extremely tough time for today's consumer," said Todd Hale, senior vice president, Consumer & Shopper Insights, The Nielsen Company. "CPG manufacturers and retailers have few options to manage rising commodity costs beyond absorbing increased costs, passing on increases to consumers by raising prices or cover increased costs by downsizing offerings. Downsizing, in particular, is not a new option - - we've seen downsizing over the last few years in a number of categories, including ice cream, cereal, candy bars, salty snacks and paper products."

### **About The Nielsen Company**

The Nielsen Company is a global information and media company with leading marketing and consumer information, television and other media measurement, online intelligence, mobile measurement, trade shows and business publications (Billboard, The Hollywood Reporter, Adweek). The privately held company is active in more than 100 countries, with headquarters in New York, USA. For more information, please visit, [www.nielsen.com](http://www.nielsen.com).

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<sup>1</sup> All stats: The Nielsen Company survey of 48,116 U.S. households, October 2008.