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MEDIA ADVISORY

CASE FOUND BRANDS REDUCING THEIR QUANTITY AND NOT PRICE

In the latest 'Grocery Price Survey' conducted in September 2009, the Consumers Association of Singapore (CASE) found that two brands have increased the prices of their products by reducing the quantity of the product while maintaining the same (or vaguely different) packaging.

In one case, the product was reduced from 82 grams to 79 grams for the same average retail price, which in effect meant an increase in unit price from \$0.43/100g to \$0.44/100g. In the second case, the average retail price also increased 6.21% from \$12.08 to \$12.83, which meant an increase of 12.50% in unit price from \$0.24/100g to \$0.27/100g. This meant that consumers would be paying more money for less quantity.

Table 1: Comparison of products with reduced quantity

Brand	May 2008			September 2009		
	Quantity	Mean Price (\$)	Unit Price (\$)	Quantity	Mean Price (\$)	Unit Price (\$)
Maggi Noodles (Curry Flavour)	5s x 82g	\$1.75	\$0.43/100g	5s x 79g	\$1.75	\$0.44/100g
Dynamo Laundry Liquid Detergent	5 litre or 5kg	\$12.08	\$0.24/100g	4.7kg	\$12.83	\$0.27/100g
Lux Bar Soap (Assorted)	6s x 100g	\$2.31	\$0.39/100g	6s x 90g	\$2.13	\$0.39/100g

With reference to table 1 above, the findings by CASE are as below:

- 1) The quantity of Dynamo Laundry Liquid Detergent has been reduced by 300grams and price has increased by 75 cents from May 2008 (based on average price), in turn causing the unit price to increase.
- 2) For Maggi Noodles (Curry Flavour), the average price remained unchanged despite quantity reduction by 15 grams.

- 3) CASE also found that one brand, Lux Bar Soap decreased in price following the reduction in quantity.

Reducing the quantity of the products with minimal changes to the packaging may cause consumers to unknowingly pay for less quantity or worse, pay more money for less quantity. CASE is of the view that manufacturers should give adequate notification on their packaging to inform consumers that they have downsized the quantity of their products. Revamping the packaging and/or revising the quantity on the packaging is not sufficient.

In addition, CASE also observed that the percentage price difference for specific well-known brands in September 2009 could go up to as high as 84.29%.

Table 2: Percentage difference for specific well-known brands across different Supermarkets (Sep'09)

S/N	Well-Known Brand	Range of Prices (S\$)		% Price Difference
		Lowest	Highest	
1	Tulip Pork Luncheon Meat - 340g	\$4.60	\$4.95	7.61%
2	Ayam Sardines in Tomato Sauce (Oval) - 425g	\$3.25	\$3.65	12.31%
3	Narcissus Whole Mushroom - 425g	\$0.85	\$1.25	47.06%
4	Knife Brand Cooking Oil - 2kg	\$8.08	\$8.55	5.82%
5	Seng Choon Eggs - 10sx60g	\$1.90	\$2.65	39.47%
6	Maggi Noodles Curry - 5sx79g	\$1.74	\$1.80	3.45%
7	Songhe Thai Fragrant Rice - 10kg	\$23.90	\$25.95	8.58%
8	Pagoda Salt Fine (Box) - 500g	\$0.45	\$0.55	22.22%
9	SIS Coarse/Fine Sugar - 2kg	\$2.84	\$2.95	3.87%
10	Milkmaid Condensed Milk - 397g	\$1.43	\$1.50	4.90%
11	Nescafe 3-in-1 Coffeemix Regular – 35sx20g	\$4.95	\$6.95	40.40%
12	Nestle Omega Refill Pack - 700g	\$11.39	\$11.75	3.16%
13	SCS Butter - 250g	\$3.25	\$4.65	43.08%
14	Maggi Chilli Sauce - 340g	\$1.05	\$1.25	19.05%
15	Darlie Double Action Toothpaste - 250g	\$2.70	\$3.55	31.48%
16	Dove Body Wash - Beauty Moisture - 1 litre	\$7.90	\$10.70	35.44%
17	Lux Bar Soap Assorted - 6sx90g	\$2.10	\$2.15	2.38%
18	Sunsilk Shampoo - Clean & Fresh - 700ml	\$7.00	\$12.90	84.29%
19	Kim Poh Dishwashing Liquid - 4.7kg	\$5.10	\$5.30	3.92%
20	Dynamo Laundry Liquid Detergent - 4.7kg	\$10.95	\$14.20	29.68%
21	UIC Big Value Detergent Powder - 5kg	\$9.10	\$9.25	1.65%
22	Beautex Facial Tissue (3-ply) - 5x120s	\$4.60	\$5.55	20.65%

23	Kleenex Ultrasoft Jumbo Roll - 10s	\$7.20	\$7.75	7.64%
24	Lipton Tea Yellow Label Tea - 50sx2g	\$3.45	\$4.00	15.94%
25	F&N Daisy Hi Calcium Milk - 1 Litre	\$2.75	\$2.90	5.45%
26	Kellogg's Cornflakes - 275g	\$2.85	\$3.40	19.30%

With reference to the above table, it is concluded that

- 1) *Sunsilk Shampoo Clean & Fresh (700ml)* was found to have the widest price gap, with a difference of \$5.90 or 84.29%.
- 2) *UIC Big Value Detergent Powder (5kg)* was found to have the narrowest price gap, with a difference of \$0.15 or 1.65%.

While we note that percentage differences of specific well-known brands could be huge, we are also glad to know that there are cheaper alternatives to such well-known brands. Annex A shows the detailed chart for lowest-priced products (based on unit price) in each product category across the eight surveyed supermarkets. Among the supermarkets, NTUC FairPrice and Sheng Siong provided the most number of lowest-priced products surveyed.

In the coming year, CASE will continue to conduct price surveys and monitor product prices on a regular basis to keep consumers updated and make well-informed choices. Consumers can also inform CASE at 6463 1811 if they find any trend in grocery prices.

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