# IT'S ABOUT YOUR PRODUCT'S PROFITABILITY.

# AVOIDING THE TRAP OF "PRICE PER POUND"

You deserve to understand the real cost of your flavor. Your overall margins and profitability are at stake. Let's take a look at the facts.



## A REAL LOOK AT FLAVOR SPEND

\$/LB. FLAVOR	USAGE	COST/100 LB. PRODUCT
5.00	0.50%	\$2.50
20.00	0.10%	\$2.00
8.75	0.30%	\$2.625

### IT ALL COMES DOWN TO COST-IN-USE!

Less concentrated flavors appear less expensive when looking at "price-per-pound", but cost-in-use gives a more accurate picture.

## Lower flavor concentration =

More flavor required for same impact → higher end cost

#### Higher flavor concentration =

Less flavor required for same impact → lower end cost



#### MORE CARRIER, MORE BULK

With less concentrated flavors, you're paying more freight on flavor carriers that aren't contributing to taste.



#### **GAME OF CONCENTRATION**

Choosing higher concentrated flavors help reduce accompanying costs and fossil fuel usage from freight.



#### **OPPORTUNITY**

Increased product impact and sustainability for your brand



#### RISKS OF PRICE-PER-POUND

- Missing out on better quality taste solutions and opportunities
- Strict price-per-pound parameters limit flavor suppliers from using their full toolbox
- Less profitable and sustainable
- Falling behind the competition

#### NEED HELP COMMUNICATING YOUR TRUE COSTS?

Let's break through the complexity and optimize your full product spend. Reach out to your Account Executive or (630) 578-8600 | www.fona.com/chat

