

The True Cost of Flavor Formulas

Many flavorists only take into consideration the ingredient cost of formulations, which may be the smallest contributing cost. The number of ingredients in a formula is important not only for ingredient costs, but also from a number of other associated costs.

Ingredient shelf life depends upon the chemical properties of the ingredient, time, and storage conditions. The combination of these variables can significantly affect shelf life and consequently the sensory properties of the ingredient.

In general, ingredients past their shelf life exhibit reduced flavor strength, or a change in sensory properties from chemical reactions. Flavor strength of aged ingredients can be reduced significantly.

The following list identifies the operations involved in the True Cost of Flavor Formulations. Many of these operations are required for each ingredient used in the flavor:

- Ingredient cost
 - Cost for each ingredient
- Quality Control Costs
 - Instrumentation (GC, MS, etc.) and other analytical tests
 - Determine usability of aged ingredients
 - Review Specifications
 - Sensory (Old and or New Ingredients)
 - Sensory on finished flavor
- Manufacturing Costs
 - Purchasing
 - Inventory
 - Formulation Time (depends upon number of ingredients)
 - Sub Compounds – Flavors or Solutions
 - Fixed costs, Variable costs and other related costs
- Variables affecting Costs and Quality
 - Number of ingredients in formula
 - Quality Control
 - Manufacturing
 - Use of Unnecessary Ingredients

Many formulations do not reflect the complete cost if all of the ingredient costs, processes, and handling by various departments, are not taken into account.

