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# Redesign. Reprice. Reposition:

The CPG playbook for  
thriving under DRS



# To stay commercially resilient and competitively agile, consumer-packaged goods (CPG) leaders must proactively prepare for the UK's upcoming Deposit Return Scheme (DRS) - not just to comply, but to capitalize.



## Strategic opportunity to boost consumer engagement

The impending DRS, set for October 2027, introduces more than mere regulatory compliance; it's an opportunity to leverage sustainability as a competitive edge. International evidence underscores this point: Norway's deposit scheme achieved a 92% return rate and significantly boosted in-store footfall and consumer engagement across retail formats<sup>1</sup>.

Early adopters will position themselves advantageously, turning compliance into brand strength, market differentiation, and enhanced retailer relationships. Companies that delay face margin erosion, reputational risks, and operational inefficiencies.



## Future-proofing profitability

DRS fundamentally reshapes price mechanics, packaging economics, and retailer agreements. Pricing strategies must account for deposit-inclusive consumer pricing, leveraging robust price-elasticity models backed by industry benchmarks, helping brands predict shifts in category share, customer ordering patterns and consumer behaviours. In the UK c. 20% consumers believe DRS will be a hassle and increase prices at the point of purchase.<sup>2</sup>

Moreover, pack architecture requires urgent reassessment - Germany saw a 98% return rate leading to rapid pack redesigns to fit standard return vending machines (RVM), highlighting the necessity for proactive portfolio adjustments<sup>3</sup>. A poll of UK consumers found a 20p flat deposit fee would encourage over 60% of individuals to switch to large PET bottles<sup>4</sup>, as consumers sought to balance trips for returns and increase price at point of purchase. CPG leaders must rationalize their SKU portfolios, resize packs strategically, and align product innovations to maintain profitability post-implementation.



## How early DRS strategy will define CPG market winners

The complexity and magnitude of changes required under DRS cannot be overstated. A typical CPG company will need to undertake initiatives to address up to 15 distinct operational business areas across sales, marketing, finance, supply chain, logistics, and IT. Certain operational transformations, for example new product formulations or new packaging materials, may require as much as an 18-22 month planning and execution lead time, depending on the strategic choices made. Consequently, key decisions must be considered and finalized by the end of 2025 at the latest to avoid costly complications.

Real-life case studies illustrate the importance of early action: In Germany, delayed decisions on pack redesign and infrastructure led to significant operational bottlenecks, eroding margins for late adopters. Conversely, brands in Norway and Ireland that began planning early optimized their supply chains, leveraged consumer engagement opportunities, and achieved smoother implementations with enhanced market positioning.

It's imperative to act decisively now—evaluating vulnerabilities within trade agreements, preparing negotiation strategies for shared-cost models, and proactively engaging retailers in joint readiness planning for 2027



### **Turning compliance into competitive advantage**

Navigating DRS complexities requires deep expertise and specialised tools in regulatory transitions, consumer dynamics, and commercial strategy. Partnering with experienced advisory specialists ensures robust scenario planning, commercial model adaptation, and risk mitigation.

At Strategy&, we help CPG companies turn regulatory changes into growth opportunities. We uniquely combine global strategic advisory experience with cutting-edge accelerators, proprietary assets, and proven intellectual property designed specifically for CPG sector.

Our proprietary Revenue Growth Management (RGM) toolkit provides comprehensive scenario modelling capabilities, helping brands forecast pricing impacts, optimize pack architecture, and anticipate retailer dynamics with unmatched precision. Our advanced trade terms playbook offers industry-leading negotiation frameworks, ensuring proactive management of retailer engagements and preserving your margins.

Leveraging globally validated best practices and insights from successful DRS implementations worldwide, we ensure your business remains commercially resilient and ready to seize competitive advantages. We will support you with enhanced agility, reduced time-to-action, and provide a clear pathway through regulatory and commercial complexity.

## **Act today, thrive tomorrow: Navigate complexity with confidence**

We invite you to schedule a meeting with our strategy and regulatory advisory experts. Together, we'll evaluate your commercial readiness, anticipate strategic impacts, and co-develop tailored response plans that will position your company not just to manage DRS implementation - but to thrive through it.

**Turn compliance into your competitive edge.  
Connect with our team today.**



1. <https://packagingeurope.com/news/tomra-recommends-efficient-in-store-reverse-vending-machines-to-increase-consumer-engagement-with-retailers/9964.article>
2. <https://www.gov.wales/sites/default/files/statistics-and-research/2024-11/research-to-explore-the-impact-of-the-deposit-return-scheme-on-alcohol-purchasing-behaviours-680.pdf>
3. [https://www.tomra.com/reverse-vending/media-center/feature-articles/deposit-return-schemes-europe?utm\\_](https://www.tomra.com/reverse-vending/media-center/feature-articles/deposit-return-schemes-europe?utm_)
4. <https://committees.parliament.uk/writtenevidence/23475/pdf/?source=chatgpt.com>



# Strategy& - DRS



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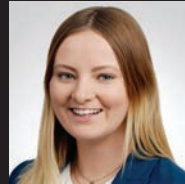
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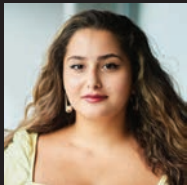
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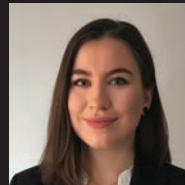
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As the only at-scale strategy business that's part of a global professional services network, we embed our strategy capabilities with frontline teams across PwC to show you where you need to go, the choices you'll need to make to get there, and how to get it right.

The result is an authentic strategy process powerful enough to capture possibility, while pragmatic enough to ensure effective delivery. It's the strategy that gets an organization through the changes of today and drives results that redefine tomorrow. It's the strategy that turns vision into reality. It's strategy, made real.

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