



SHOPABILITY

Standout Strategies: Shopper & Store

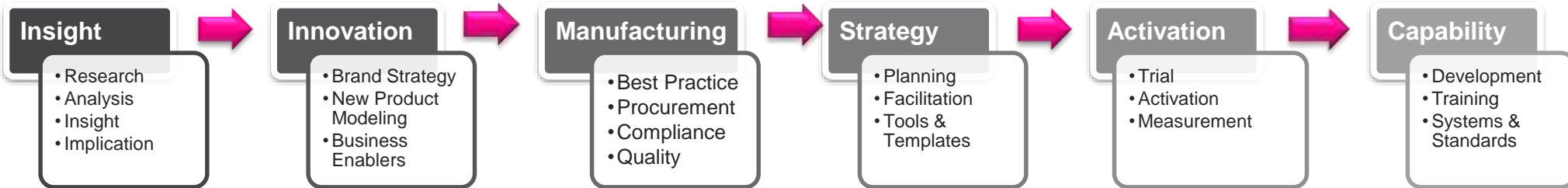
WA Food and Beverage Packaging Forum

October 30, 2019

Who are ShopAbility?



Shopper, Consumer & Trade Research
Shopper Marketing
Innovation Process
Manufacturing Enablement
Brand and Product New Product Modeling and Process
Category Management & Category Development
Brand and PL Development
Category, Channel, Customer & Business Strategy
Route to Market and Activation Programs
Trade Marketing
People Development and Skills focus



Whether you're a manufacturer or a retailer, our team brings you best practice know-how in a spirit of collaboration.

We provide you with solid insights and future-focussed strategies that are realistic and commercial. We help you to trial and rollout in trade as well as measure your success. We help you build capability in your people, processes and systems to equip you for growth.

Our initiatives optimise your manufacturing, innovation platform, sales, generate savings and help you achieve holistic alignment between what happens around your boardroom table versus what happens at the point of purchase decision at a customer and shopper level.

Why do we need packaging ?

- Contamination
- Branding
- Protection
- Food Safety
- Shelf Life
- Carrier of product
- Transportation
- Automated packing
- Labelling – use by
- Convenience
- Communication
- Value add – frozen
- Flavour
- Shelf Life

Smithers Pica organization indicate the world [packaging industry's market value will reach US\\$1 trillion by 2020](#). Consumer trends and industry trends for packaging drive this gigantic growth rate.

Packaging is an all-encompassing industry term for the technology and design work going into protecting or enclosing every sort of product destined for storage, shipping and sale. Packaging also takes in the product manufacturer's marketing efforts. For leading manufacturers, the way they package their products signifies their brand. They view packaging as an essential part of their business model. That's next to producing an excellent product, of course.

Trends 2020

2020 is set to be an interesting year for the packaging world. As sustainability becomes at the forefront of design considerations, this is going to have a long-term effect across retail channels. Utilising the marketing potential of branded packaging is also set to become a much more mainstream trend. As consumers move towards brands which offer a more personalised and curated retail experience, this is set to shape packaging needs in a big way!

Keeping It Simple

[Minimalist](#) packaging design is not necessarily a new trend, but over time, we've seen it pick up more and more momentum.

Leveraging a [simplistic style](#) means sticking to the basics when it comes to product packaging design. Minimalism centres on clarity, brevity, white space and other simple approaches that minimize clutter and improve retail impact. From streamlined labelling to minimalist photos and graphics with bold colours and fonts, there's a variety of ways to take a simpler design approach.

Minimalist packaging works well because it's simple. Consumers appreciate simplicity and economy, which is one reason brown paper wrappings are so popular. It's a pushback to unnecessary excessiveness.

The Bold and Beautiful

In tandem with the minimalist approach to product packaging, the new year is likely to shine a brighter light on big and bold typography.

"As consumer attention spans shrink, it's becoming more important than ever for designers and brands to relay their messaging as clearly and as quickly as possible, especially in packaging," [Packaging Digest](#) points out. "In the coming years, we expect to see more brands take this to the extreme by using bold fonts and fewer words to get their message across loud and clear—and stand out on shelves."

Leading marketers design packaging to grab hold of a consumer's notice and retain the memory. A recent 2019 trend report by [Crowdspring](#) found people make subconscious decisions about buying products [within the first minute and a half after observing it](#). According to [Crowdspring's](#) report, 85 percent of people make that judgment based on the packaging colour.

Case Study: Bakery



Personalisation



Packaging Overview:

Reduce, Reuse, Recycle

Last year's [World Economic Forum](#) saw over 250 companies pledge to use 100% reusable, recyclable or compostable packaging by 2025. This included big names such as Kellogg's, Unilever and Nestle. This more socially responsible approach, combined with greater consumer awareness of the environmental impact of packaging, is helping make a zero waste target [the norm rather than the exception](#).

Sustainability

Consumers care about the environment, which means your company must too. In 2019 and beyond, it is paramount to approach your packaging design with a serious focus on minimising your ecological footprint.

The cheapest and most accessible materials, like plastics, are [being replaced by biodegradable materials](#), like paper, hemp, starch and cellulose, and more easily upcycled materials like bamboo and glass.

From flexible films to dual-purpose designs, there's no limit to what you can do to develop more environmentally sound product packaging.

Part of the reason flexible packaging is such a prominent [2019 trend is material advancement](#). For years, most flexible packaging materials were polyvinyl chloride. This plastic wouldn't break down or decompose, which made it environmentally hostile. Today, most flexible packaging uses materials made of polyethylene, polyethylene terephthalate or polypropylene. These high-tech plastics are durable when in use but deteriorate when discarded.

By heeding this sustainable packaging trend, you have the potential to:

Reduce your carbon footprint : Switching to a lighter weight material can positively impact your carbon footprint.

Fight allergens and toxins : Not only is a bio-plastic better for the safety and health of consumers, but it also gives people more incentive to buy your product.

Boost brand image and increase sales: Using product packaging [to elevate your brand's reputation](#) for eco-consciousness can help elicit consumer trust, expand your market and capture greater sales.

As concerns over pollution, waste and other global issues rise, it's paramount to [be part of the solution](#). By [communicating your environmental efforts on the product packaging](#), you increase brand appeal and bolster credibility. And that's a trend that never goes out of style.

Packaging Overview:

Personalised Packaging

Digital printing makes it far easier to [customise packaging](#) and add [personalisation](#) to products. There's no one-size-fits-all in personalised packaging. In fact, that's the core philosophy behind this trend. Personalisation allows a company to promote their name and brand in a forceful way that stands out from competitors.

Personalised packaging also takes in a [brand's story](#). Smart marketers know people relate to stories as much as they do to brand names. When a company presents its package in a story-like way that connects to consumers on an individual level, the product becomes irresistible.

Transparency and Clean Labels

["Transparency"](#) refers to manufacturers being completely open and honest about what the products contain. ["Clean"](#) means products are safe and don't contain harmful ingredients. When a manufacturer packages their product in a way that makes content information clear, concise and open, it promotes trust in the company's brand name.

Clean and transparent labelling strongly affects the packaging industry's food sector. Reports from a new Mintel study into packaging transparency and clean foods found [more than 50 percent of U.S. consumers](#) have an interest in [scanning food packages with their smartphones](#) to find out exactly what they contain. Part of the clean and transparent trend in 2019 is the rise of the Smart Label™. The label code immediately connects consumers to a landing page with transparent information about how clean this choice may be.

Case Study: Fresh Delicatessen and Meal Solutions



Board packing for meal solutions

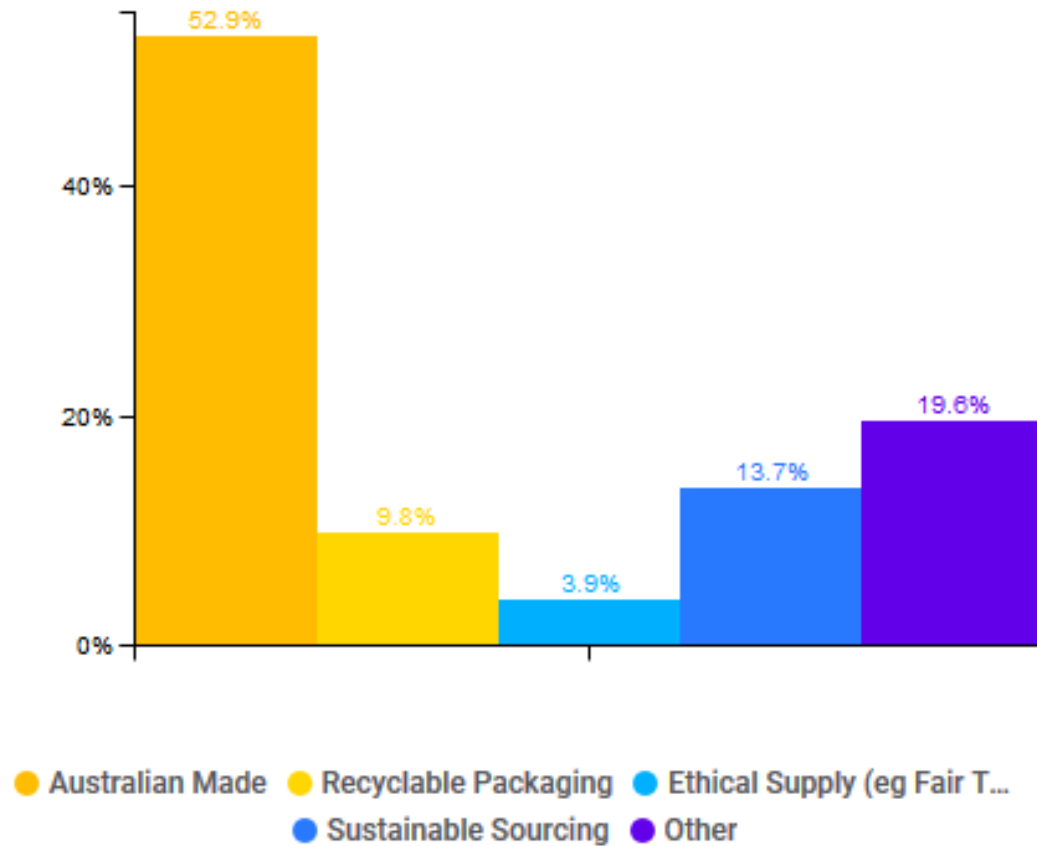


Board not plastic backing for meat and smallgoods

Shopper Dynamics:



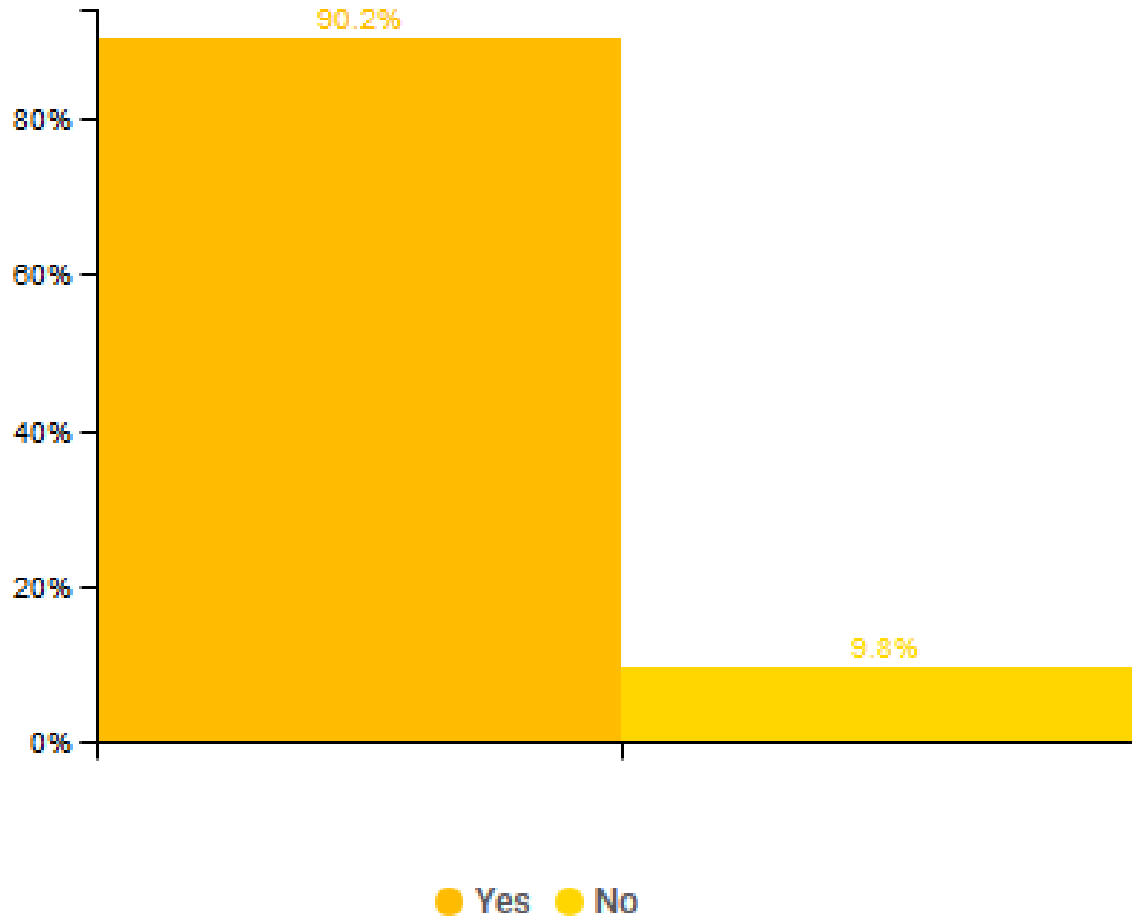
Which of these is most important to you when purchasing grocery products?



Shopper Dynamics:



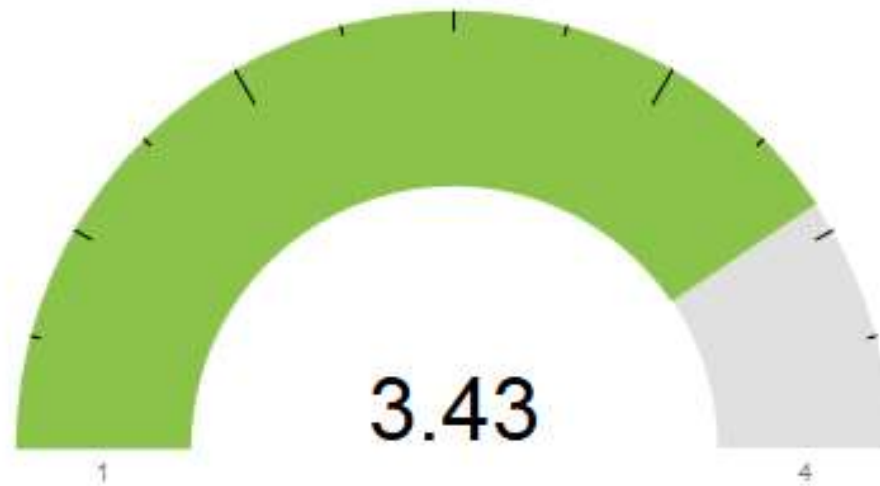
Do you currently have a separate bin in your home for recycling?



Shopper Dynamics:



When you throw items away at home, do you take care to check every item is disposed of in waste or recycling?



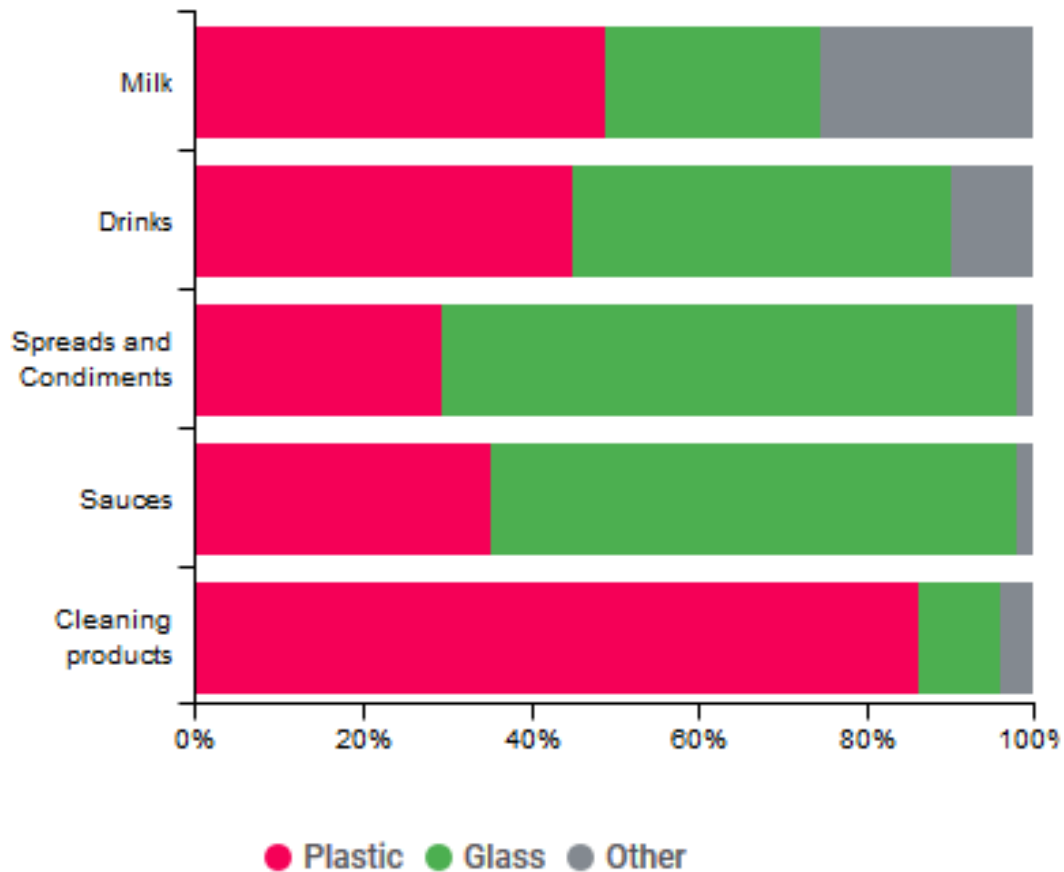
How this score is calculated

● Never ● Sometimes ● Most of the time ● All of the time



Shopper Dynamics:

For each of these, which is your preferred packaging?



Case Study: Brownes Dairy



**Carton drinkable like
a bottle**

BROWNES DAIRY DITCHES PLASTIC BOTTLES

RetailWorld

Brownes Dairy will be the first company in Australia to integrate renewable cartons across its entire milk carton range.

The distribution beginning mid-October, will involve the use of Tetra Pak bio-based packages. Materials are plant-based, and use protective layers derived from sugar cane.



“There is a lot of emphasis on the importance of recycling, but less of a focus on how we can make products more sustainable from the beginning,” said Brownes Dairy CEO, Tony Girgis.

Additionally, “Brownes Dairy wanted to improve the sustainability of our packaging across the entire lifecycle of our products.”

Tetra Pak packaging is the world’s first fully renewable beverage carton using sugar cane as the protective layers.

“Making the switch to a protective layer... is not only better for the environment, but our consumers can trust the package is made from a renewable source. It has a lower carbon impact to climate change than fossil-based plastic,” said Mr Grigis.

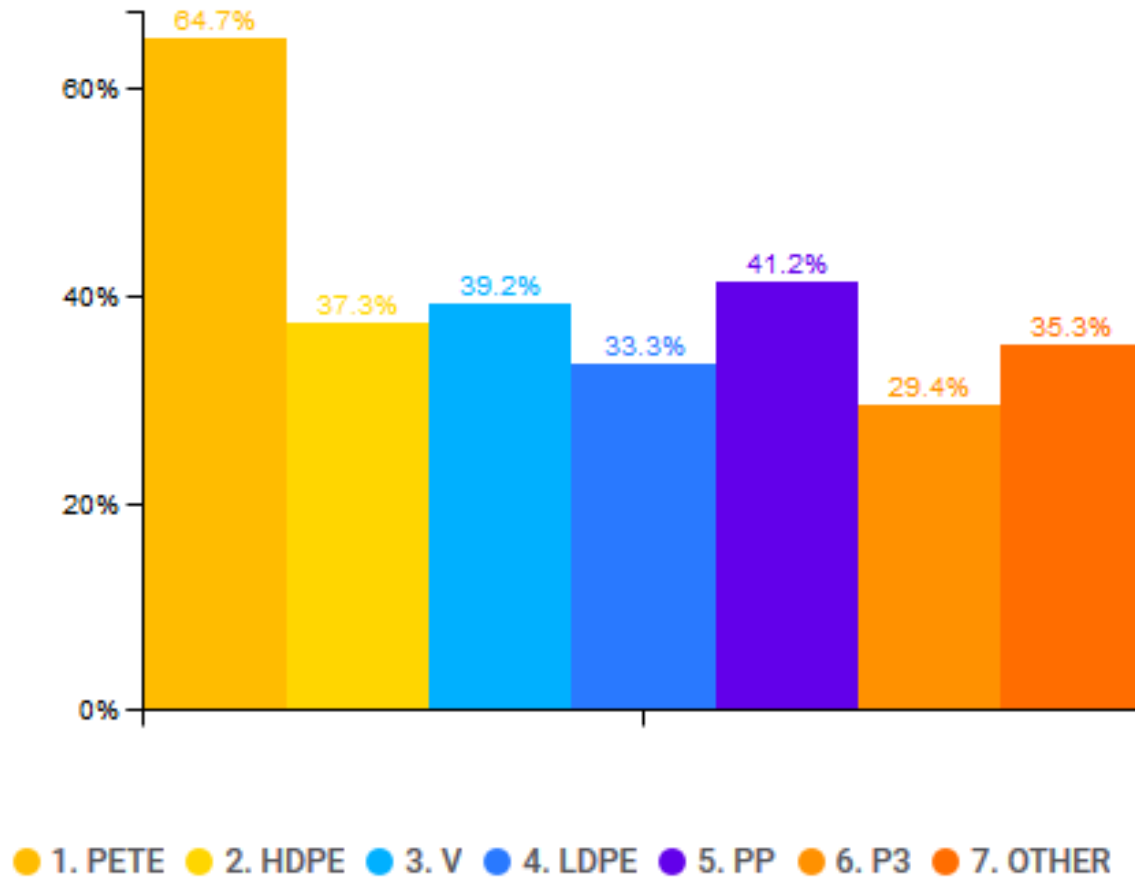
The Australian dairy company will switch 25 of its milk carton products to the new sustainable packaging, which equates to about 17.8 million milk cartons per year.

The white milk, cream and CHILL range will all be packaged with Tetra Bio-Based board.

Shopper Dynamics:



Which of the plastic types in this photo can be recycled?



Regulation in Australia

- ALL Australian packaging will be re-usable or recyclable into other purposes by 2025 under a bold plan to rescue us from being smothered by our own waste.
- “[The then Environment Minister Josh Frydenberg](#)” called the issue urgent and important as he met with state counterparts and local government to discuss solutions”.
- Governments pledged to increase recycling efforts by using waste for road and construction and to limit food leftovers.
- And the [packaging industry](#) has agreed to, [within seven years](#), use only materials which are compostable, reusable or recyclable.
- This would remove one of the biggest sources of untreatable waste, and ordinary Australians also will have to change habits and not just fill the recycling bin on their kerb.

Challenges you face.....opportunities in packaging !



Plastic packaging in [Australia](#) is almost entirely made from hydrocarbons sourced from non-renewable sources (i.e. natural gas and crude oil). Most of the raw materials for polymers are by-products of petroleum refineries.

Plastic packaging, if disposed to landfill, will not decompose. This results in the continuing long-term sequestration (storage) of the fossil carbon in the plastic, rather than this being released to the atmosphere as a greenhouse gas.

Life Cycle Related Considerations Against Flexible Plastic Packaging Flexible plastic packaging is not collected by most kerbside collection systems in Australia. Flexible plastic packaging is more challenging to recover because it often involves multiple polymer layers and/or a layer of aluminium, which are difficult to separate. Being lightweight and more likely to be influenced by wind, flexible plastic packaging has a higher tendency to become part of the litter stream, particularly when disposed of in public places. Most plastic packaging is not biodegradable, increasing the hazard that littered items can present to wildlife, and litter-related amenity issues

Plastic used for food and beverage packaging makes up two-thirds of the world's plastic waste. Rigid (non-flexible) food plastic packaging is partly recyclable.

One of the reasons why flexible packaging is preferred for food is because of its barrier properties. Flexible packaging is manufactured using multiple layers of polymers. These structures work to retain the freshness of the inner contents, through controlling water vapour transmission and oxygen transmission.

Flexible packaging (packages such as fresh produce, coffee, snacks, granola bars, etc.) is a growing segment of the world's packaging market. Even though the volume of flexible packaging is smaller by weight and space, most flexible packaging cannot be practically recycled. Flexible packaging isn't made of pure plastic polymers but rather made by blending several materials. These blended materials make flexible packaging complicated for separation and recycling.

There is an incentive to overcome this challenge with a growing community around the globe, including consumers and brands that strive for a circular economy approach, and wish that compostable packaging will become a day-to-day solution for both food and packaging waste.

The Flexible Packaging Challenge

- For flexible packaging to have the same end-of-life as organic matter, while still offering consumers and brands the durability, transparency and shelf life they have come to expect from conventional plastics.
- Yet compostable packaging can only succeed if it meets the same performance specifications as conventional plastic packaging. Compostable packaging should also be able to seamlessly fit into today's methodology of logistics and manufacturing practices.

“Packaging should behave just like an orange peel, so nature won't even notice we're here”. Make sustainability our priority, not convenience !

Packaging must be core to your business strategy

Have a packaging strategy and plan

Packaging model for your customers - today and in 3 years

- equipment, footprint, materials, branding, communication

One material solution for Branded, PL and FS solution

Personalise the brand experience

Is there enough value in waste reduction, of packaged product in your Category, to propose an alternative packaging solution



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**THANK YOU FOR
YOUR TIME**

**ENJOY THE REST OF YOUR
CONFERENCE**