



WHAT'S NEXT FOR PACKAGING?

FPPA Annual Conference

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First – Thank You



Packaging Trends

- Drivers
 - *What's going on in industry*
 - *What do the academics see?*
- Trends in packaging
 - Design
 - Sustainability
 - Connected Consumers
 - E-Commerce



Drivers shaping megatrends and ultimately consumer markets (Euromonitor)



With the rising importance of emerging and frontier markets, and fears over advanced economy stagnation, the global economy has witnessed a paradigm shift.

Technology plays a pivotal role in consumer decision-making and the ability of business to meet the needs of today's consumer.

As the global population approaches 8.0 billion, demographic shifts are combining to reshape consumer lifestyles and purchasing decisions.

Competing demands and supply constraints combine with economic, environmental and geopolitical risks to create pressures on environmental resources.

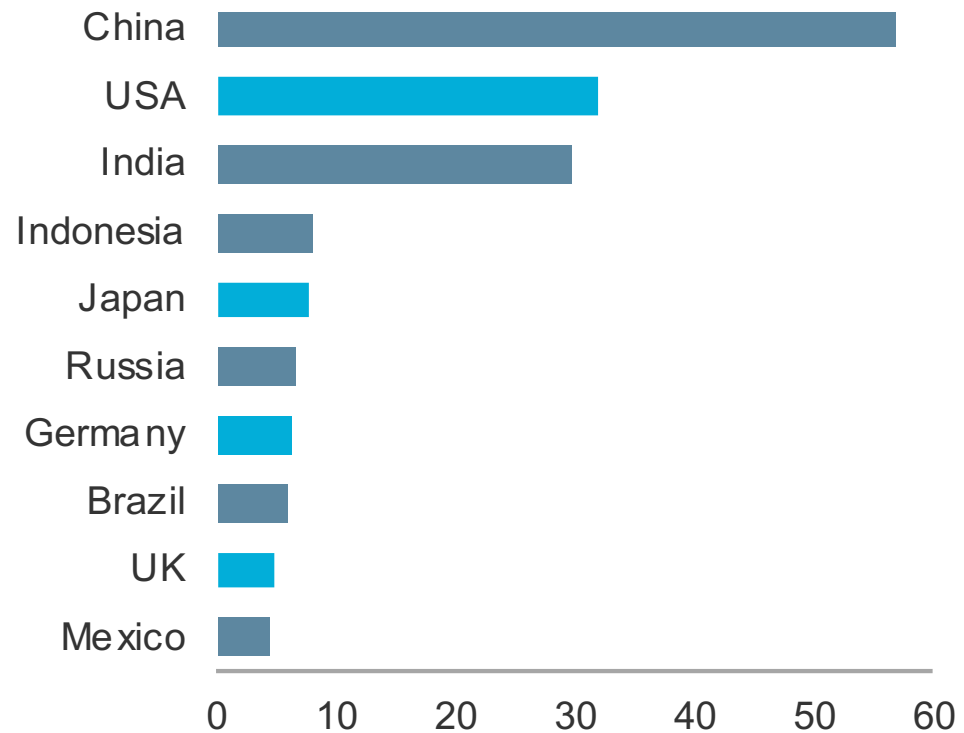
From consumers to governments, beliefs about the world are constantly evolving, shaping priorities, perceptions, attitudes and motivations.

Driver 1: Shifting Economic Power

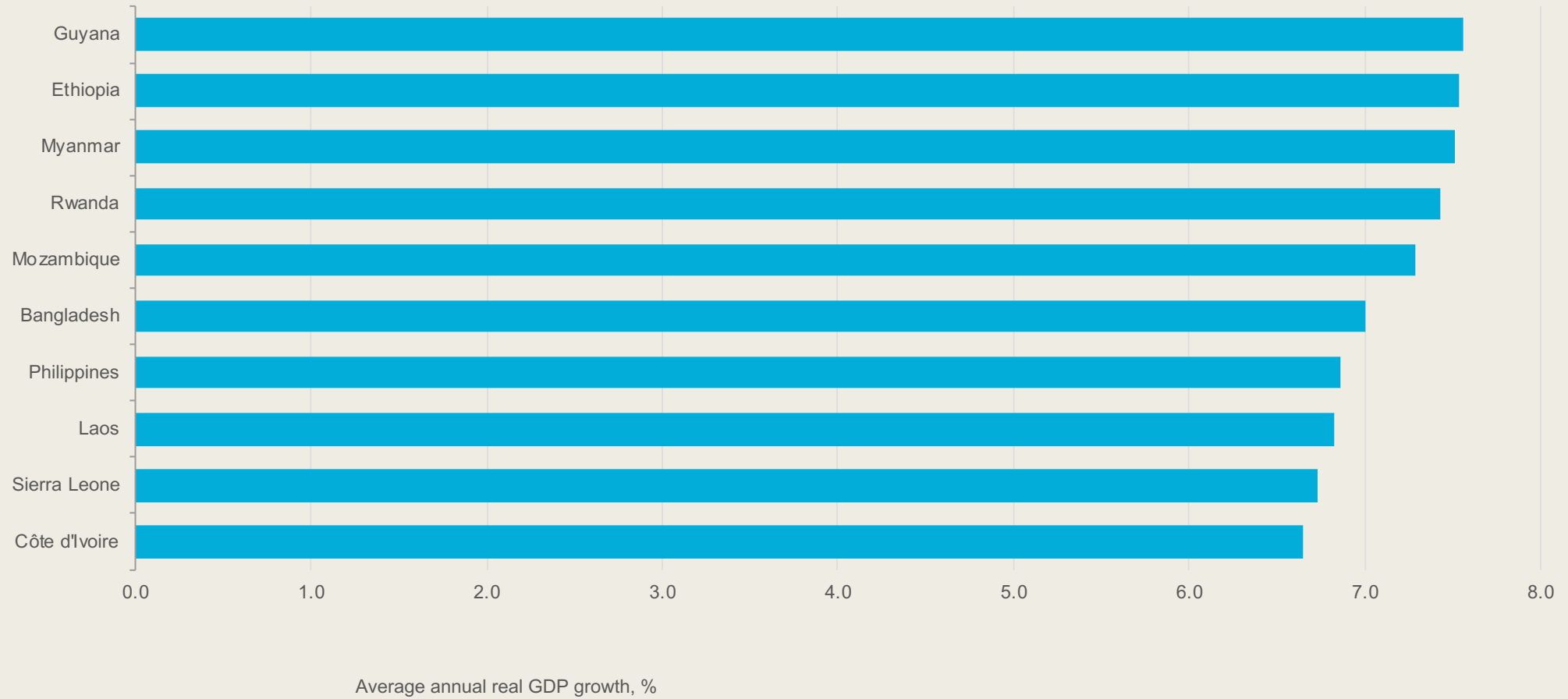
GLOBAL ECONOMY
WILL DOUBLE IN
SIZE AND REACH
\$256.1
TRILLION IN TERMS
OF GDP AT PPP
(PURCHASING POWER PARITY)
IN 2030

Top 10 Economies 2030

GDP at PPP, trillion international dollars



10 Fastest Emerging Markets



Source: Euromonitor International from national statistics/Eurostat/OECD/ UN/IMF

Driver 2: Technology

- The always-on consumer



3.6bn

Global internet users as of 2018, which equates to half of the population.

53%

of connected consumers report they would be lost without the internet.

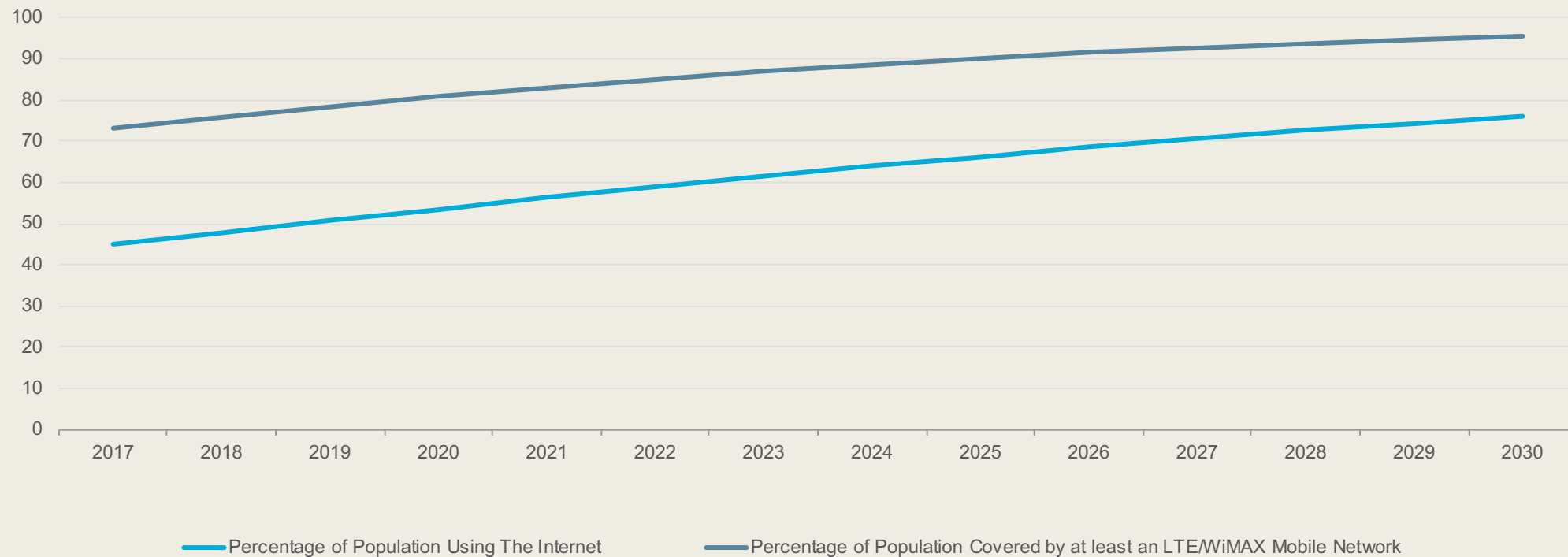
31%

of connected consumers prefer online communication rather than other means.

Driver 2: Technology



Consumer Access to the Internet Globally 2017-2030



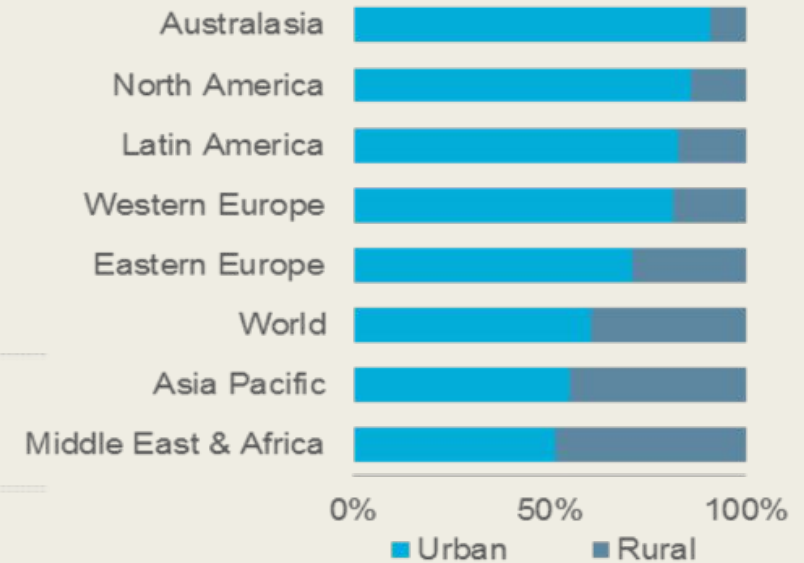
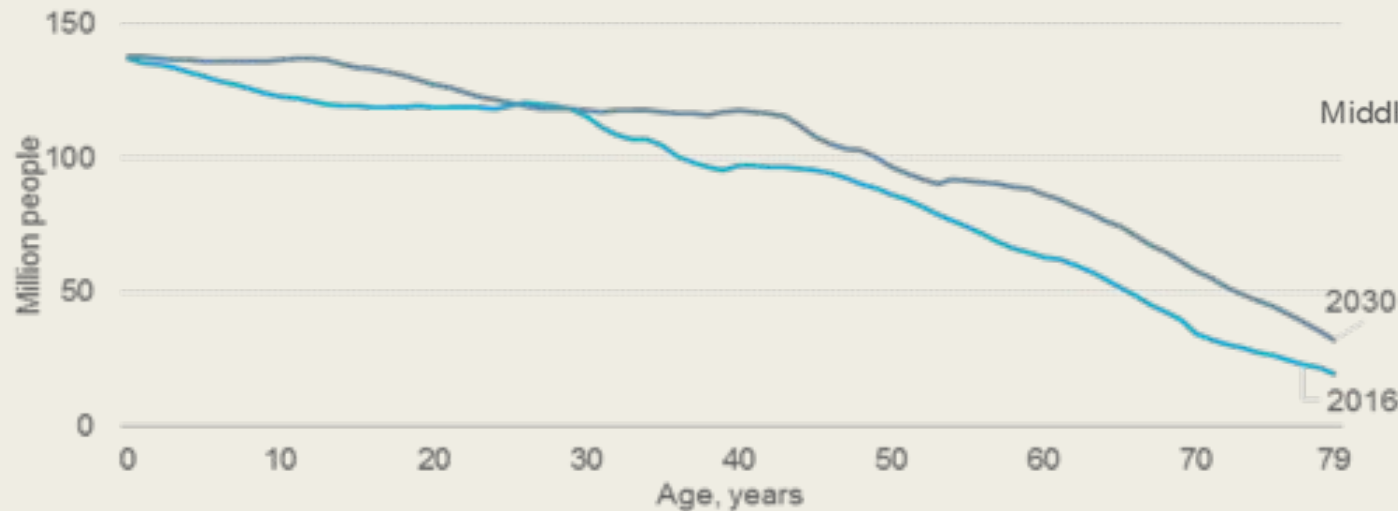
Driver 3: Population Change

World Population Statistics 2030

POPULATION (BILLION) MEDIAN AGE (YEARS) LIFE EXPECTANCY (YEARS)

8.5 32.8 74.4

Population by Urban/Rural Location 2030



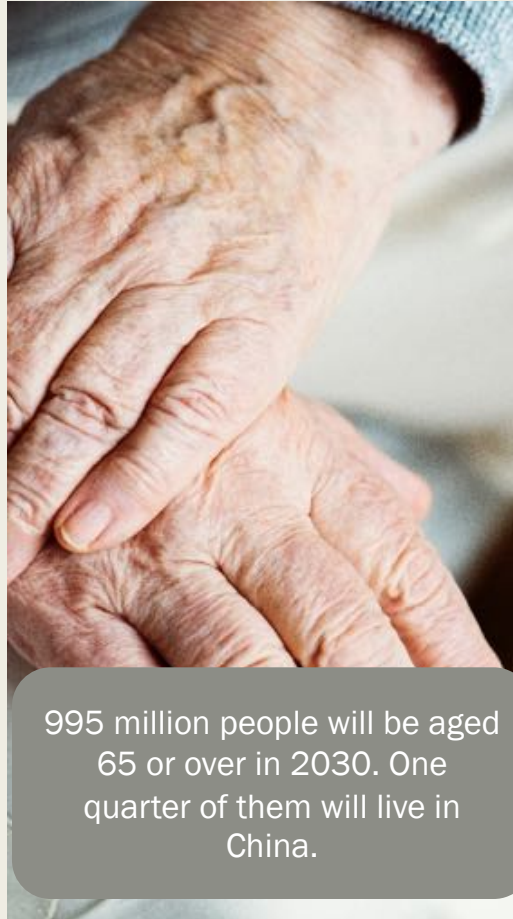
Source: Euromonitor International from national statistics / UN
Note: Top 10 cities are based on the biggest cities by forecast population in 2030

Driver 3: Population Change

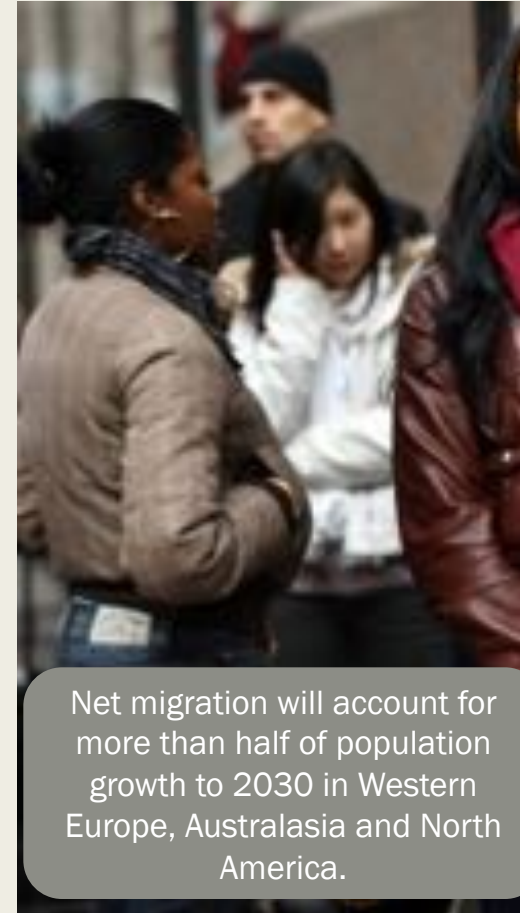
Urbanization



Ageing



Migration



Three major demographic forces shaping the world

Driver 4: Environmental Shifts and Pressures

Ethical consumers

War on plastics

Circular economy

UN sustainable development goals

Going beyond regulation



Driver 5: Changing Values

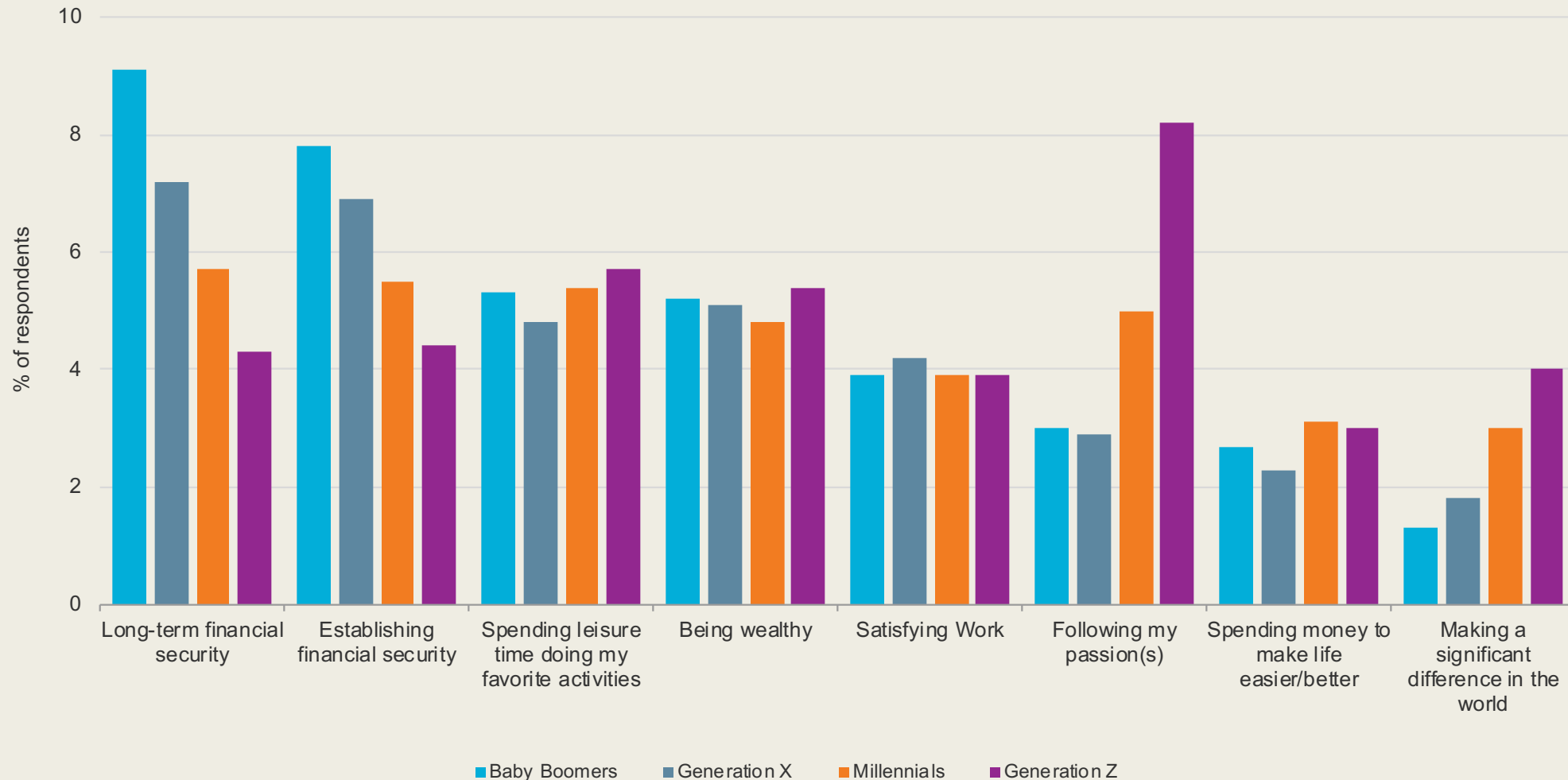


Important Consumer Values 2015-2017



Source: Global Consumer Trends Survey 2017

Financial security key priority for baby boomers, but for gen Z, it's all about their passions in 2017



Mega Trends

- Experience More (over “stuff”)
- Shifting Market Frontiers (growth in Asia/Africa, ageing population)
- Healthy Living (greater awareness of health and nutrition)
- Ethical Living (resources, environment, sustainability)
- Middle-Class Retreat (urban, educated, having fewer children)
- Premiumization (Ageing consumers, smaller families drive demand)
- Shopping Reinvented (convenient and technology-advanced experience)
- Connected Consumers (rapid urbanization and pop growth will give rise to more connected consumers)

What can that mean for packaging?

- \$ 839B 2015 –
\$ 998B 2020 (3.5%)
- Global growth not even
 - *Emerging countries*
 - *Established region changes in demographics*



Source: PIRA

What can that mean for packaging?

- Design trends (with the brain)
- Sustainability
- Connected Consumers
- E-commerce



Design Trends

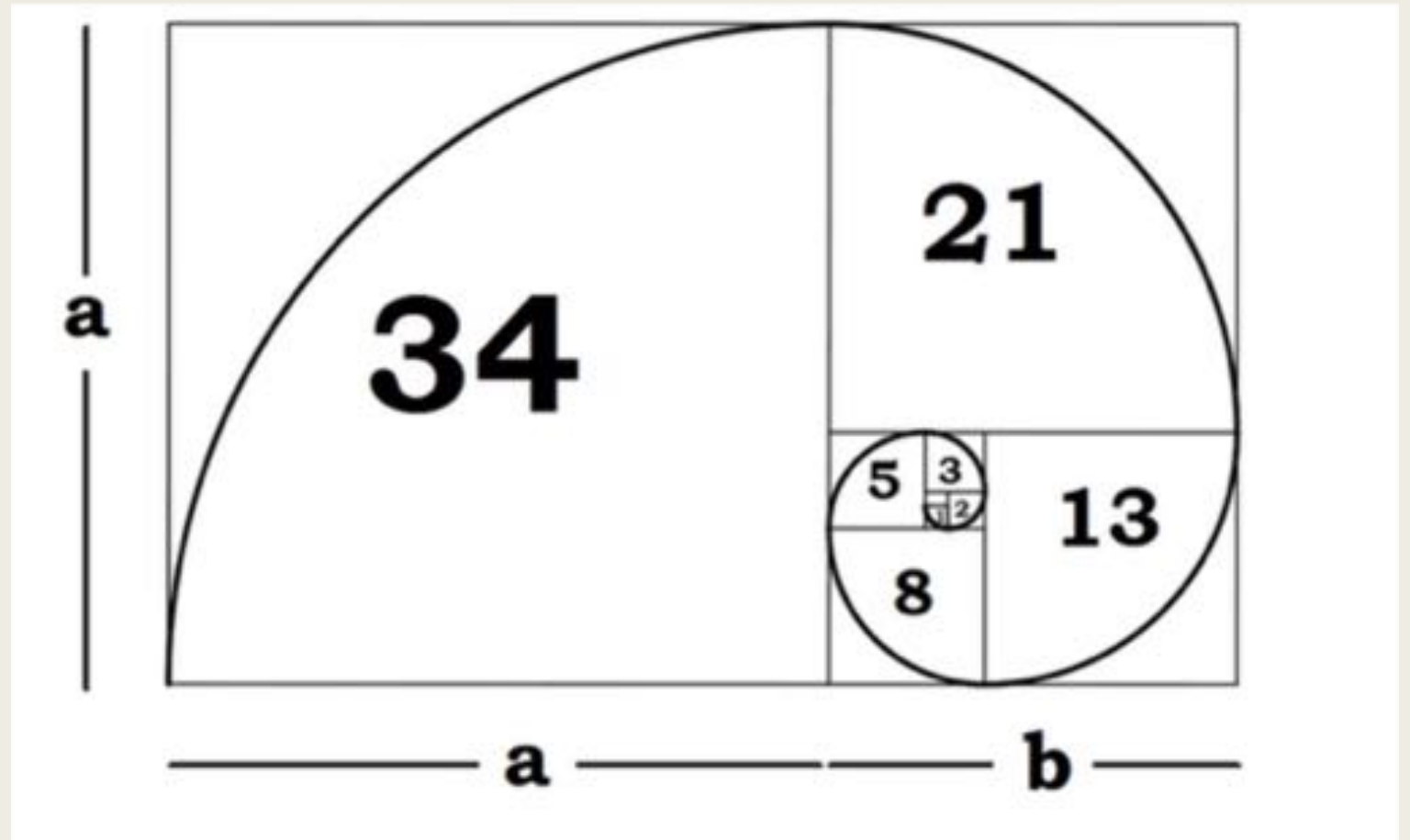
- ...”attractive vs. neutral packages evoked intensive activity changes in brain regions associated with an impulsive system..” (Hubert, 2013)
- ???
- Attractive packaging increases impulse buying!!!

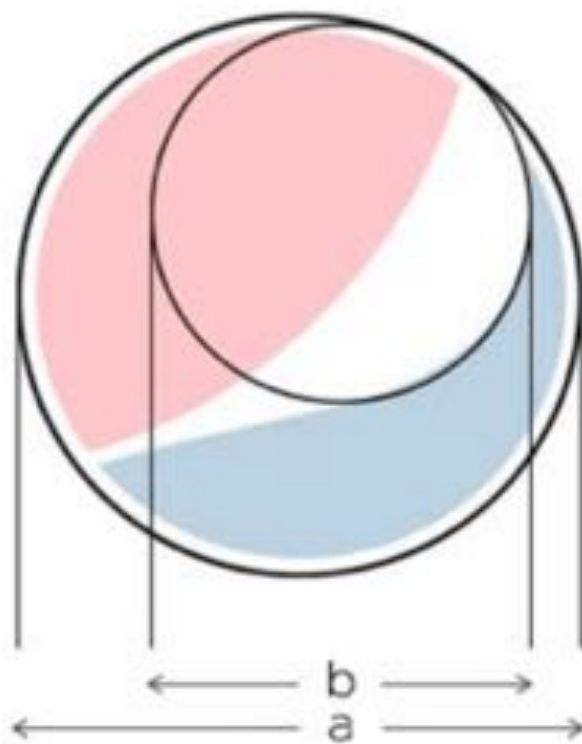


Design Principles

- *Color*
- *Shape*
- *Symbol*
- *Typography*

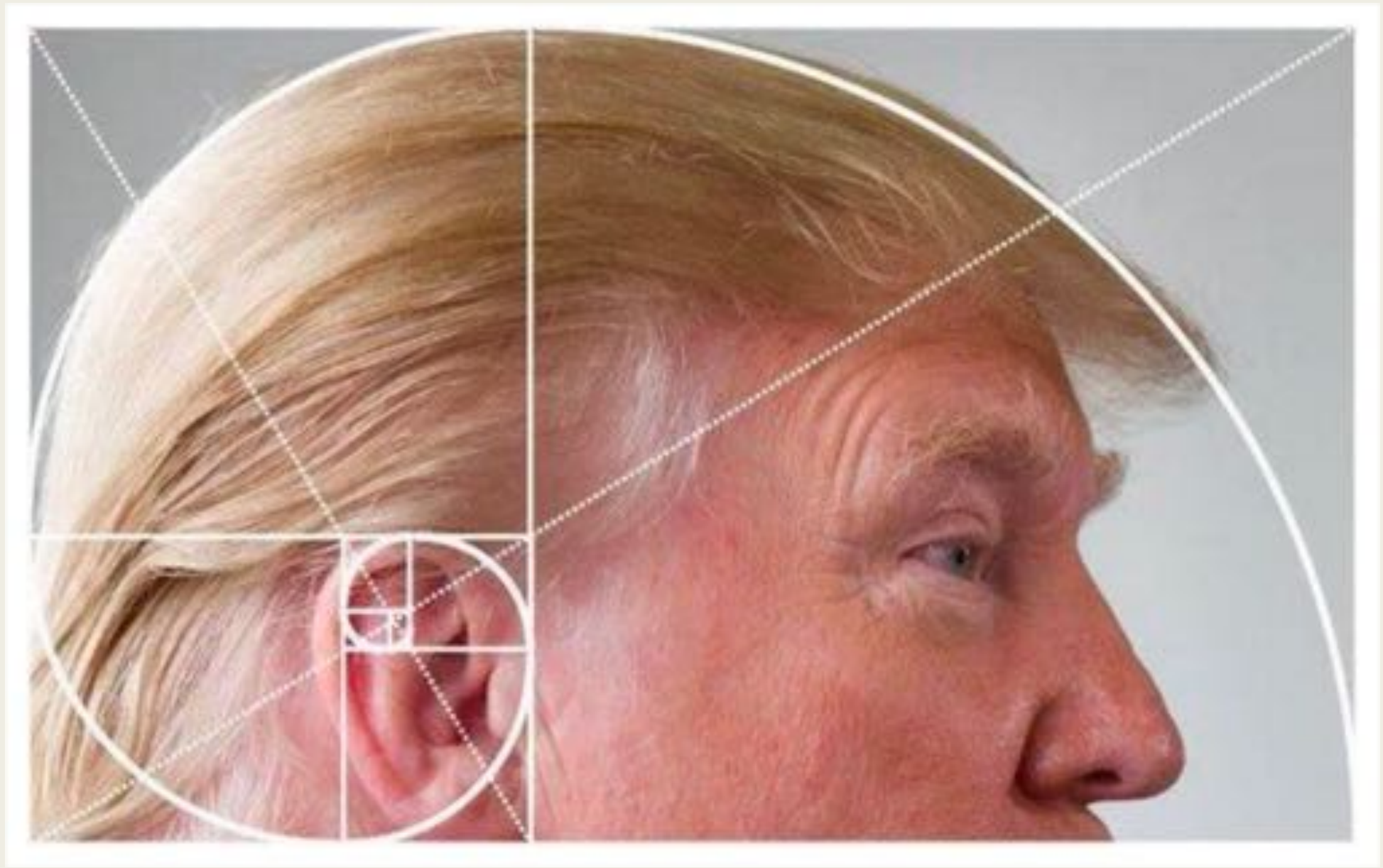
Golden Ratio: 1:1.618





$$\frac{a+b}{a} = \frac{a}{b} = \varphi = 1.61$$





Cred: Andrew Hurley

Color

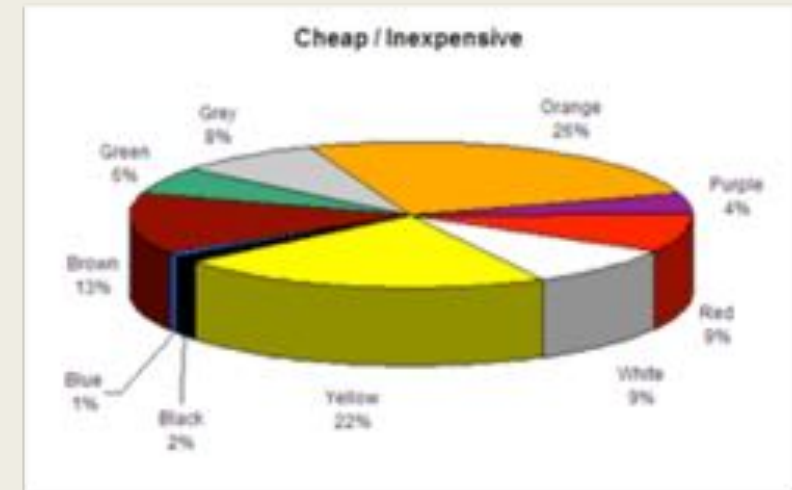
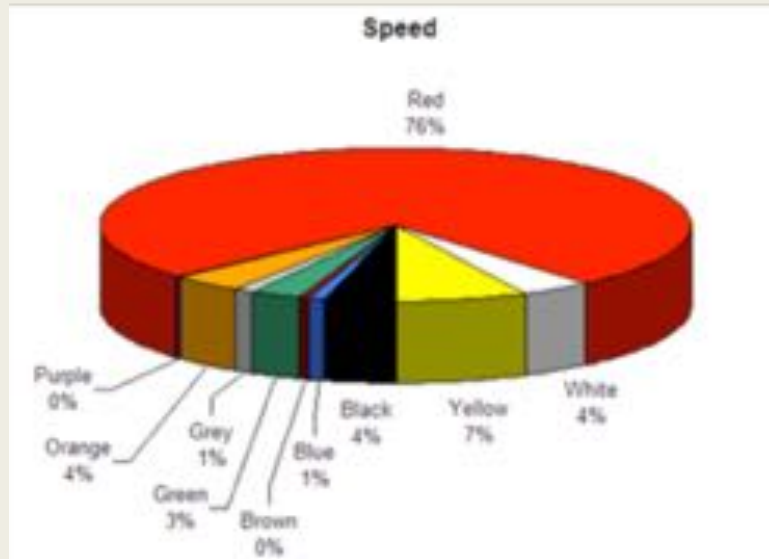
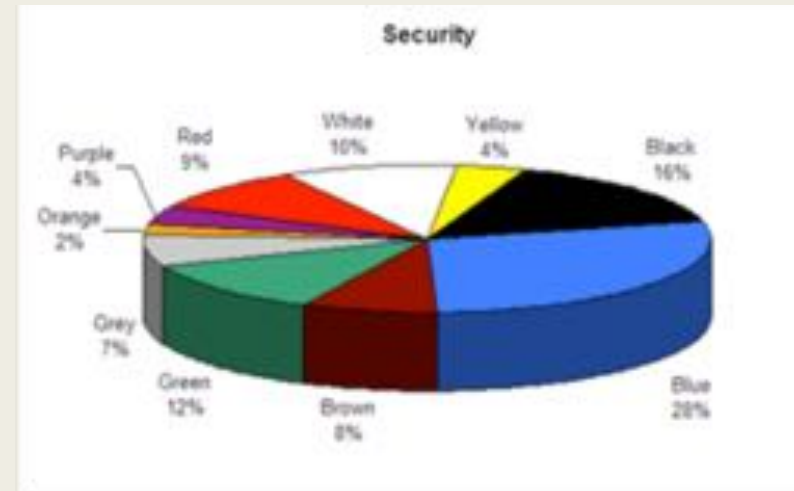
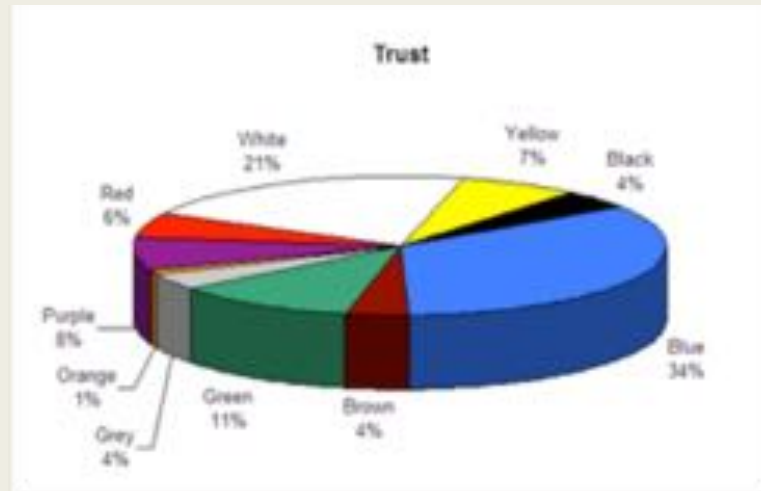


Color Associations

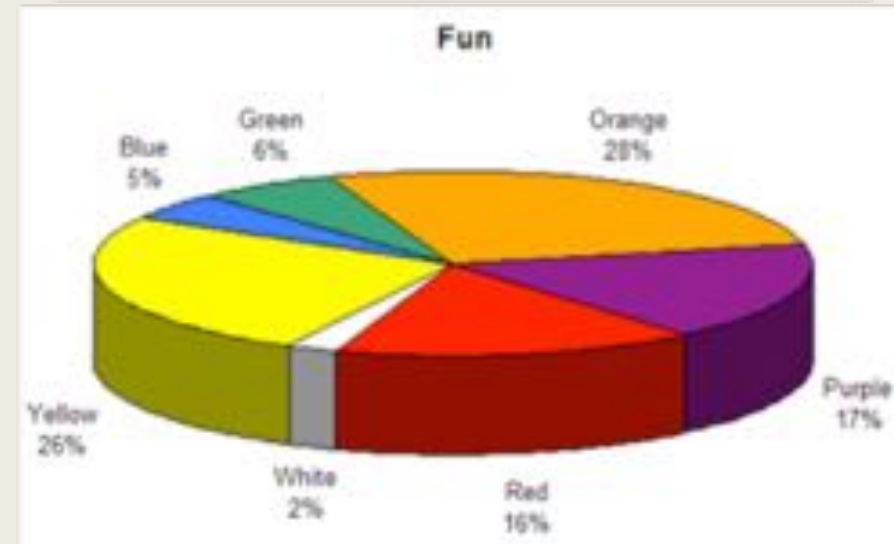
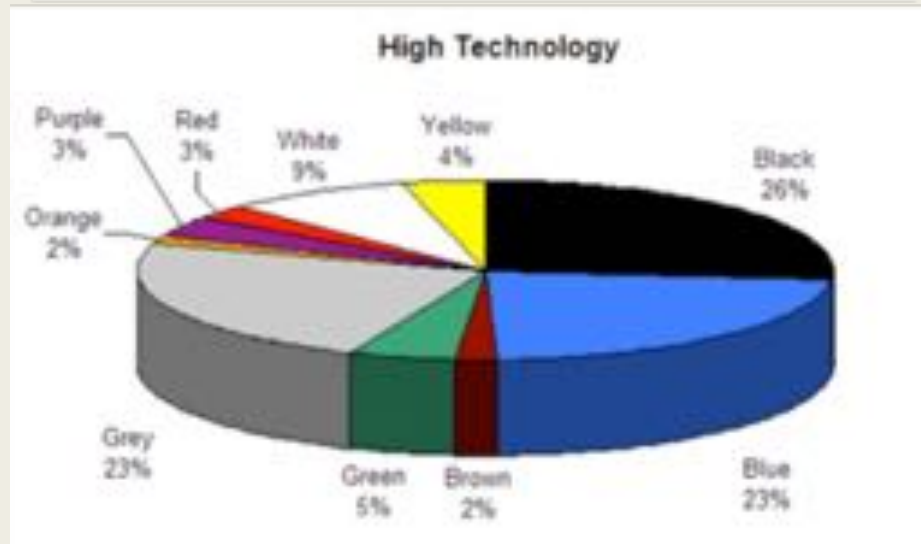
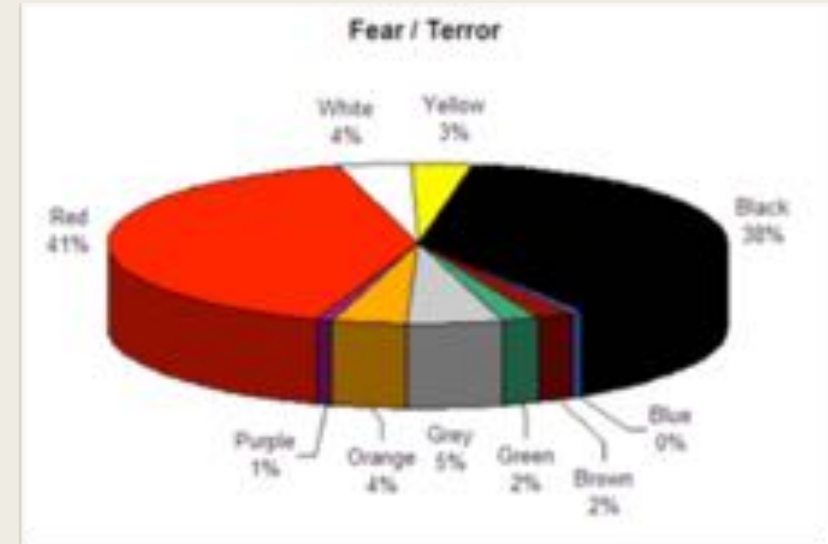
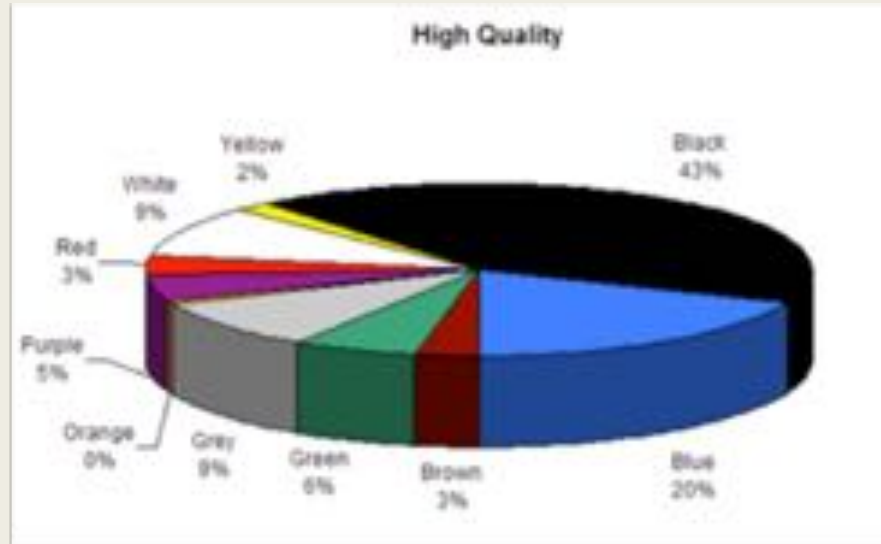
- Product and category
 - Red
 - Yellow
 - White
 - Black
 - Green
 - Blue
 - Gold



Color Associations



Color Associations





Americans complained that the Coke in the white can tasted less sweet





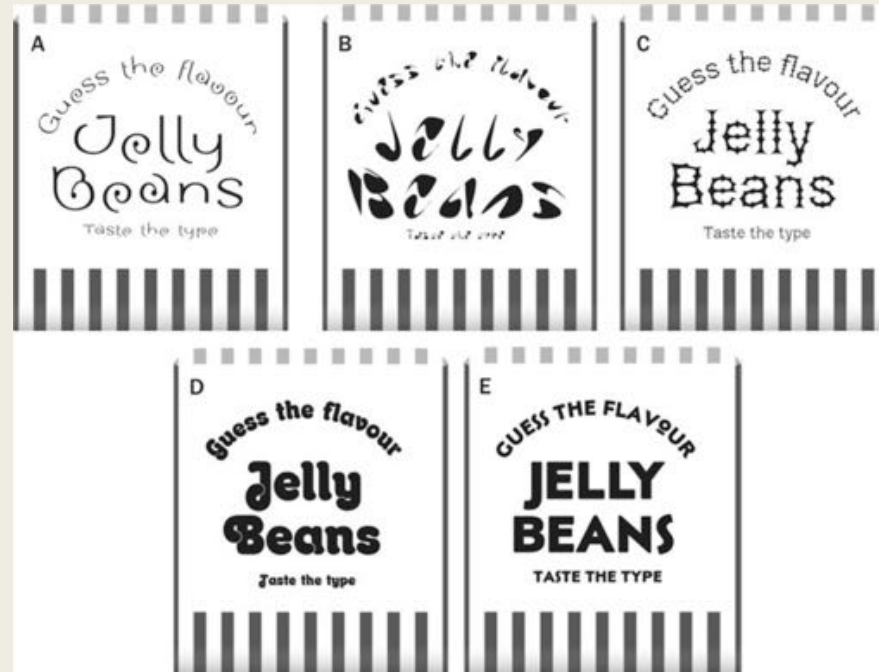
7 UP with its regular green colouring. Consumers report a usual lime and lemon taste.



The same 7 UP, just adjusted to be slightly more yellow. Consumers report a more lemony taste.

Many other examples...

- Typography
- Label shape
- ...



Design Trends in Packaging

■ Retro/Vintage



Design Trends in Packaging

■ Sequencing



Design Trends in Packaging

- Typography getting “hip”



Design Trends in Packaging

■ Minimalism (essentialism)





Design Trends in Packaging

■ Humor



Design Trends in Packaging

■ Humor



Design Trends in Packaging

■ Humor



Neuroscience

“After the eye, the hand is the first censor to pass on acceptance, and if the hand’s judgment is unfavorable, the most attractive object will not gain the popularity it deserves. On the other hand, merchandise designed to be pleasing to the hand wins an approval that may never register in the mind, but which will determine additional purchases... Make it snuggle in the palm.”

Sheldon and Arens, 1932

Design Trend: Tactile and Decoration



Consumer Perception of Tactile Packaging: A Research Study on Preferences of Soft Touch and Hi Rise Coatings in Cosmetic Packaging

Malcolm G. Keif Ph.D., California Polytechnic State University - San Luis Obispo

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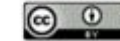
Colleen Twomey, California Polytechnic State University - San Luis Obispo

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Abstract

A choice-based conjoint study was conducted sampling 400 individuals to determine their preference for Soft Touch and raised tactile coatings, which are sometimes called Hi Rise or profile coatings. Soft Touch coatings have a velvety, warm feel to them, and Hi Rise coatings simulate embossing with a glossy appearance to them. Both are considered tactile coatings, engaging the sense of touch.

Demographic profile data, level of agreement about statements related to cosmetic packaging and packaging choice set selections were collected. The conjoint sets contained three attributes: design color, tactile coatings, and price.

Design choice was split. Approximately half of the respondents preferred a black design and half preferred a white design. There was no statistically significant difference between the design choices. As anticipated, respondents preferred cheaper prices.

Regarding the tactile coatings, respondents preferred the Hi Rise coating to no coating at all and to the Soft Touch coating. However, when including the interaction of price, the Hi Rise coating did not support a 5% price increase. It did show evidence of some price increase, but not 5%.

The Soft Touch coating was also preferred over no tactile coating by respondents. It showed a statistical interaction effect with price, possibly because of perceived value. Soft Touch tactile coatings were preferred by respondents over no tactile coating, even at a 5% price increase.

Recommended Citation

Keif, Malcolm G. Ph.D.; Twomey, Colleen; and Stoneman, Andrea (2015) "Consumer Perception of Tactile Packaging: A Research Study on Preferences of Soft Touch and Hi Rise Coatings in Cosmetic Packaging," *Journal of Applied Packaging Research*: Vol. 7 : No. 1, Article 1. DOI: 10.14448/japr.03.0001

Design Trend: Tactile and Decoration



Design Trend: Tactile and Decoration



Sustainability

■ Flexible material trends

- *Move from paper to plastic*
- *Light-weighting*
- *Move from rigid to flexible (consumer convenience)*
 - Demand for pouches in the US – 4.6% per year to \$9.4B in 2018 (Freedonia)
- *Increased use of “Bio-plastics”*
 - Fossil fuel costs
 - Reduced carbon footprint
 - New generation bio-renewable technologies
 - *Smith Pira – Future of Bioplastics for Packaging to 2023*



Examples

- Coke bottle
 - 30% *Brazilian cane sugar*
 - 2020 goal of having a completely *renewable plant based and recycled PET plastic bottle*
- DANONE Yogurt
 - PLA
 - *Improve carbon footprint of Activia by 25%*
 - *Cut use of hydrocarbons 43%*

• [Packaging gateway.com](http://Packaging.gateway.com)



Be careful.....



Sustainability

■ “Sea Change”



Sustainability

- Creating more relationship between brands and consumers
 - *How2Recycle*



Carton and Corrugated

- E-commerce/International Trade
- Downsizing
- Single Serve
- Printing techniques
- Smart Packaging
- Growth in emerging countries
- New markets (wood replacement)
 - Projected to reach \$294.3 billion by 2023 (globally) Freedonia



Examples

- Tetra Top (liquid packaging, coatings)
- Corrugated Cases (RRP)
 - Convenient products becoming a key need for 'on-the-go' consumers looking for instant gratification.



Tetrapak.com



Packworld.com

Designing for Sustainability



Be careful of “eco” inks – not all of them can be recycled!



Augmented reality: Designing immersive experiences that maximize consumer engagement



Joachim Scholz ^{a,*}, Andrew N. Smith ^b

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^bGirard School of Business, Merrimack College, 315 Turnpike Street, North Andover, MA 01845, U.S.A.

6 Places Consumers are Engaging with QR codes

15 MAY 2018 | Author: Nick Ponesse

[QR codes](#) are everywhere you look. Whether you are browsing online, commuting to work, or even looking through your pantry, you will find QR codes.

Mobile phone manufacturers and social media platforms are all taking notice. There is no longer a need to download an application to scan these 2D barcodes. You can find QR code scanners within your smartphone camera, through Snapchat, and even through your Facebook account.

Augmented Reality: Making Print Interactive



FACEBOOK



TWITTER

Sponsored by: Canon Solutions America

Speakers: Maarten Lens-FitzGerald, Co-founder and US General Manager, Layar; Alan D. Snyder, General Manager Fry DPSG, Fry Comm. inc.

PRINT AND NFC

NFC – Print's Digital Connection

Near-field communication (NFC) technology uses tiny, radio frequency (RFID) emitting tags to connect with digital devices like smartphones. When a smartphone comes within range of the RFID signal, its web browser displays the content the signal steers it to. It's that simple. **There are no special apps needed** or software to download. With Apple's release of ios11, virtually all mobile devices moving forward will provide NFC interactivity.

- QR experience
 - QR codes as a means for marketers to bridge the gap between the physical and the digital worlds
- NFC Experience
 - A recent survey by Epsilon and GBH Insights found that 80% of customers are more likely to make a purchase when brands offer bespoke (custom) content.
- AR Experience
 - Augmented reality is most effective during the search and evaluation phases of the buying process.

- The use of technology needs an incentive for Millennials and Z-ers (why should they interact with the package?)
- Experiences with the technology need to be memorable and relevant
- Don't expect Millennials/Z-ers to pay more for interactivity
- Technology needs to work on all mobile platforms
- Millennials/Z-ers don't have the attention span to wait for technology to work – if the technology takes too much time, they have already moved on

That said....



Other

■ DigiMarc

- *“invisible” barcode*
- *Conversion of pixels to readable data*
- *Greater accuracy and speed at checkout*
- *Engagement via coupons, loyalty programs, etc.*



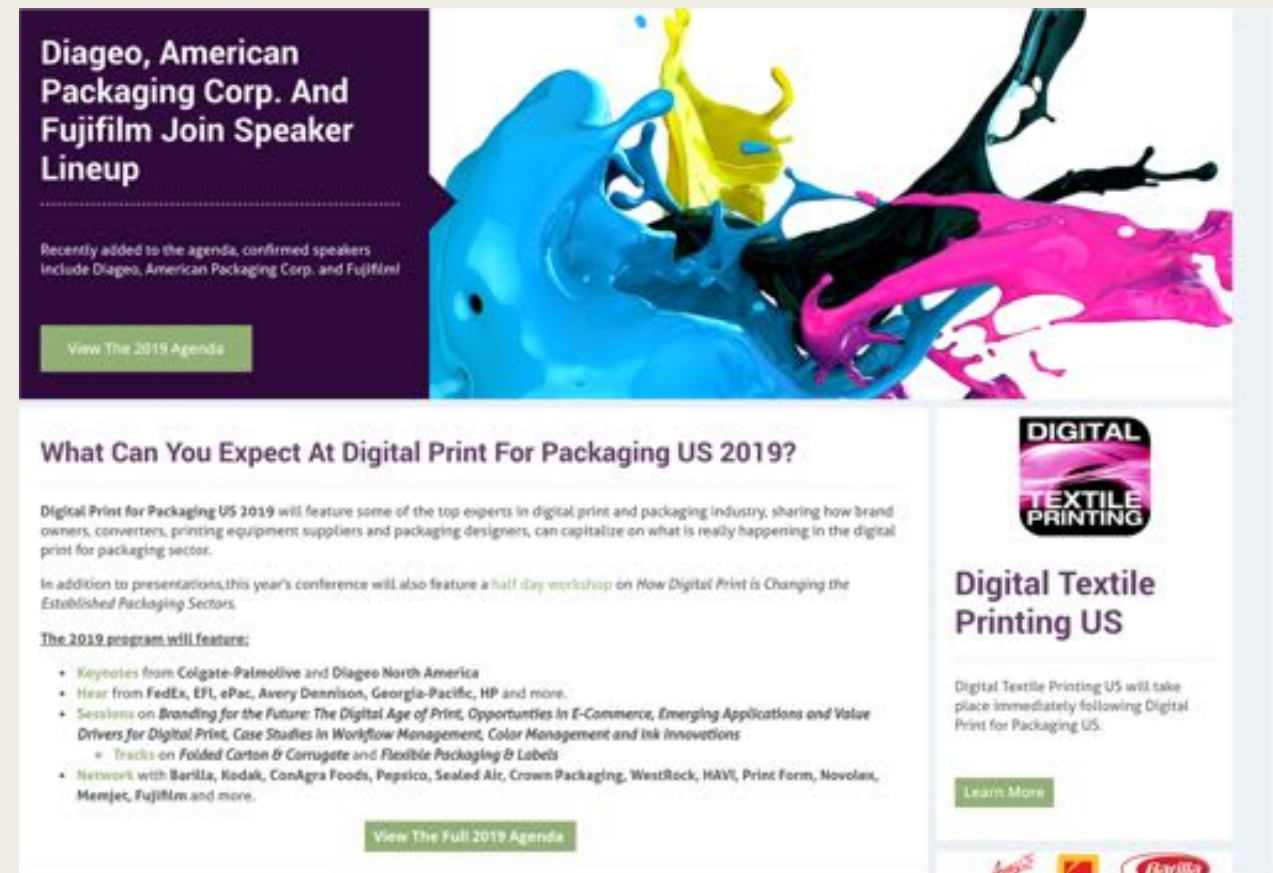
E-Commerce

- Customize (Digital)
- “The Unboxing Experience”
- Integrated Marketing Communications



Customize

- Digital Printing is in all areas of packaging - \$28B by 2023
 - *Quality*
 - *Volume*
 - *Color*
 - *VDP*
- But
 - *Print – to – Die speeds*
 - *Heavy use of spot colors*
 - *Expense*
 - *Installed base*
 -
- Integrate?



Diageo, American Packaging Corp. And Fujifilm Join Speaker Lineup

Recently added to the agenda, confirmed speakers include Diageo, American Packaging Corp. and Fujifilm

[View The 2019 Agenda](#)

What Can You Expect At Digital Print For Packaging US 2019?

Digital Print for Packaging US 2019 will feature some of the top experts in digital print and packaging industry, sharing how brand owners, converters, printing equipment suppliers and packaging designers, can capitalize on what is really happening in the digital print for packaging sector.

In addition to presentations, this year's conference will also feature a [half day workshop](#) on *How Digital Print is Changing the Established Packaging Sectors*.

The 2019 program will feature:

- **Keynotes** from Colgate-Palmolive and Diageo North America
- **Hear from** FedEx, EPL, ePac, Avery Dennison, Georgia-Pacific, HP and more.
- **Sessions on** *Branding for the Future: The Digital Age of Print, Opportunities in E-Commerce, Emerging Applications and Value Drivers for Digital Print, Case Studies in Workflow Management, Color Management and Ink Innovations*
 - *Tracks on Folded Carton & Corrugate and Flexible Packaging & Labels*
- **Network** with Barilla, Kodak, ConAgra Foods, PepsiCo, Sealed Air, Crown Packaging, WestRock, HAVI, Print Form, Novolex, Memjet, Fujifilm and more.


[View The Full 2019 Agenda](#)

DIGITAL TEXTILE PRINTING

Digital Textile Printing US

Digital Textile Printing US will take place immediately following Digital Print for Packaging US.

[Learn More](#)



Customize

HP and ePac Announce Record Rollout of 20 HP Indigo Digital Presses to Transform Flexible Packaging Market

Press Releases



Being known for their all-HP Indigo flexible packaging, ePac Flexible Packaging has announced that they are purchasing 20 more HP Indigo 20000 digital presses in order to continue expanding throughout the US. Being worth over \$100 million, this is the largest deal that the HP Graphics packaging business has made. There are currently eight HP Indigo 2000 presses being used at the ePac sites, being located in Boston, Austin, Madison, Chicago, Miami, and Boulder. By 2020, the business will expand to 15 locations, utilizing a total of 28 units.

SHARE



RECENT NEWS

Trends and Opportunities Within the Snack Food Packaging Market

Unearthing the Differences Between Compostable and Recyclable Packaging

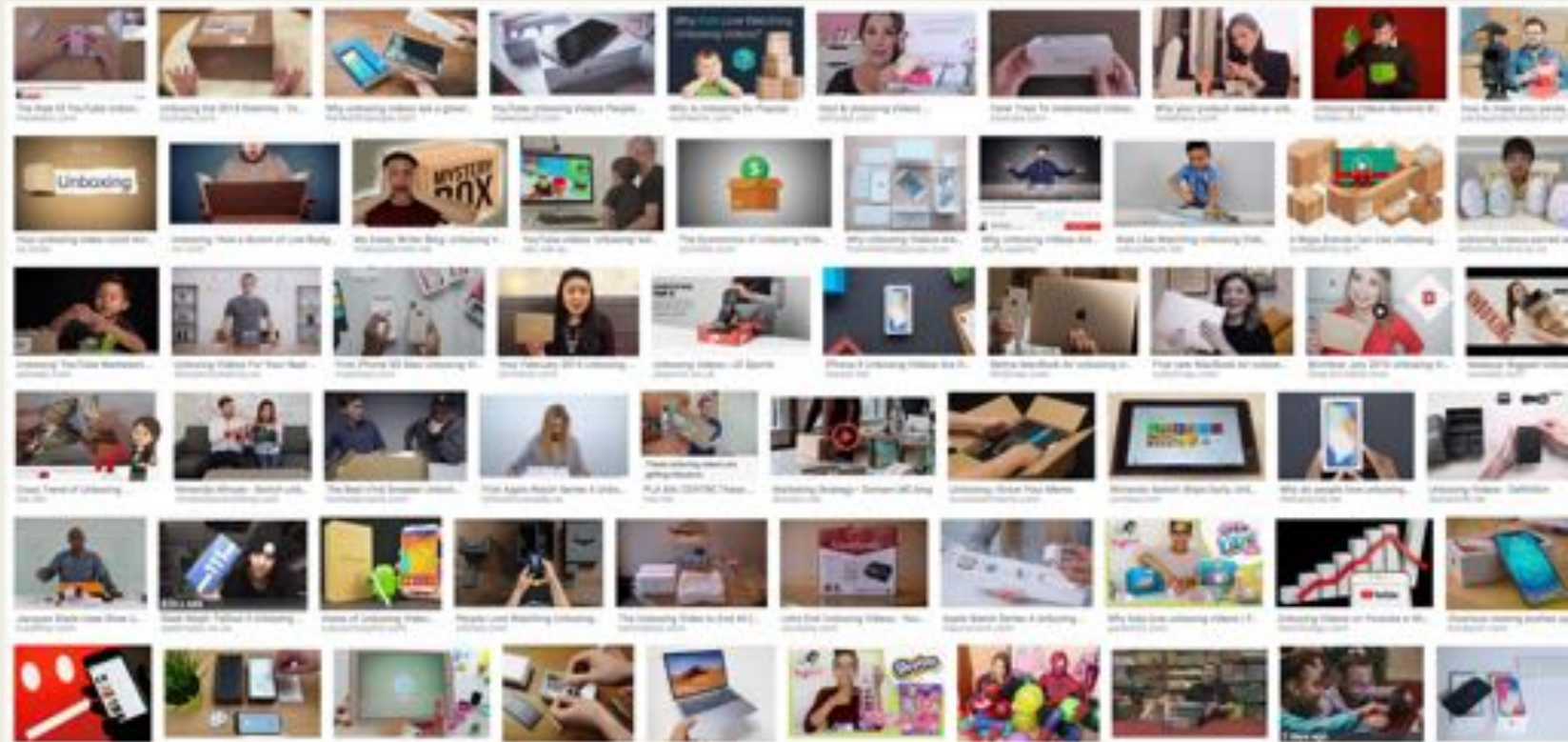
The Design Features that Make Pouches the Best Option for Nutritional Supplement Packaging

Examples



The “Unboxing Experience”

- Youtube....?
- Amazon Frustration-Free Packaging
- Subscription Boxes



Example



Frustration Free Packaging

<https://youtu.be/bgw3EmszzLY>



Opportunities for Design!

- Subscription Boxes!
Let's think INSIDE the box!



Integrated Marketing Communications

- Digital Shelf – Who cares about e-commerce and online orders?
 - Product assortment
 - Multiple images of a product
 - Videos
 - Descriptions
 - Ingredients
 - Instructions
 - Pricing and promotions...



Unilever

- Close to 10% of retail sales are now online, and 50-70% of these purchases are made on a mobile device
- Unilever saw 24% increase in sales with optimized hero images over product shots
- Other CPGs are following



Opportunity?

- Rich, high-quality product content
 - *Digital package*
 - *Lifestyle images*
 - *Video Content*
 - *Descriptive Copy...*



OUR PROMISE THIS IS CHAMISAL

We are devoted to understanding this magical piece of ground and applying the knowledge and experience of several decades to produce quintessential Central Coast Chardonnays and Pinot Noirs using sustainable practices.



Packaging Trends

- Drivers
 - *What's going on in industry*
 - *What do the academics see?*
- Trends in packaging
 - Design
 - Sustainability
 - Connected Consumers
 - E-Commerce



Thank you!

