

New packaging trends reflect environment, recessionary impacts



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With the consumer making more in-store product comparisons, adding value and differentiating through packaging has become more pertinent than ever and South African brand owners understand the importance of adjusting and adapting products to serve the new price-sensitive consumer.



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Furthermore, they understand that to improve the bottom line, the solution does not always lie in product diversification but often in adjusting the way an existing product is packaged. Here are some FMCG trends in the packaging evolution.

Going green

Ensuring packaging is environmentally friendly not only brings about ecological change but also makes financial sense. Consumers in the USA and the UK are showing their continuous support for products with smaller carbon footprints. South Africans are slowly but surely following suit. This movement pushes large packaging organisations such as Tetra Pak to invest heavily into offering clients more eco-friendly solutions. The packaging giant mentions the following goals in its planning for a greener future: to reduce the environmental footprint across the value chain, to develop sustainable products and to increase recycling.

Boomtown recently worked with Woodlands Dairy on its environmentally friendly packaging for First Choice long-life milk. "Woodlands Dairies places major emphasis on environmentally-friendly practices and approached Boomtown to illustrate this on all their long-life milk cartons," says Kenny Holloway, Client Service Director. "The 'It's all good' logo, visible on all packaging, is a visual representation of a brand promise from this environmentally-aware dairy brand."

Mondelez recently launched a 100g refill pack for its luxury coffee range, Jacobs Krönung. This product allows consumers to refill existing glass containers, enjoy the same great taste at a significantly lower price-point and be eco-friendly. The

reduction in weight leads to a reduction in transport costs, which in turn fits both the consumer and producer's pocket and reduces its carbon footprint.

Brands communicating the green nature of their packaging, on their products and exploring new ways of offering existing products are just two examples of how South African brands are trying to appeal to a more environmentally aware consumer.

Bigger is not always better

A trend towards smaller increment pack sizes is another interesting movement in the FMCG arena. These packs are especially popular in markets where budget restrictions force consumers to purchase products on a daily basis. While jumbo packs such as Kellogg's All Bran 1kg makes sense for a middle-higher LSM consumer, the lower LSMs are looking for products in sample sizes to see them through the week.

This trend is even more pronounced in other sub-Saharan countries such as Kenya and Nigeria. Here we see a tube of toothpaste sold in individual squirts and packs of sugar repacked and sold in smaller plastic bags by spaza shop owners. FMCG brands, such as Omo and Sunlight, are noticing this bottom-of-the-pyramid consumer need and are adjusting their products. These consumers are brand loyal and want to purchase the market leaders but in smaller, cheaper packs.

KWV recently launched a KWV 10-year-old product in a 375ml bottle with the same aesthetically pleasing shape of the 500ml bottle. Adele Bumeister, Category Manager for the South Africa Spirits Portfolio at KWV, explained that the new bottle caters for consumers who want to enjoy the same quality product when topping up mid-month and expenses are tighter than usual.

Path of least resistance

A recent study conducted by Helsinki-based M. Real Consumer Packaging, confirmed that although consumers are attracted to interesting shapes and sizes in packaging and innovative designs, they will opt for a less attractive but easy-to-open pack when making purchase decisions. This is especially the case with on-the-go foods, where the usage occasion is fast-paced.

Cadbury recently adjusted all packaging for its Dairy Milk slabs to allow for easy opening and closing. Dairy Milk bars are now re-sealable which improves the product: making it less messy, easy to enjoy whilst commuting, maintaining freshness if one does not eat the full slab in one go.

Similarly, Eveready Batteries saw improvement in sales after redesigning its packaging in 2010. Ease-of-use was improved through adding perforation to the back of the pack, which made access to the batteries easier. "We modernised the packaging with elements such as foiling which made it more visually appealing and we also added an easy-to-open perforation. Both these developments made the pack more attractive in-store," says Liza Kingston, Eveready Brand Manager who worked with Boomtown to create the new design. With 70% of buying decisions being made in-store, it is essential for brand owners to consider ease-of-use as a major contributor in product evaluation.

Innovation through packaging is an interesting way in which brands can differentiate themselves, save money and appeal to a new price-sensitive consumer. Coupled with the correct creative partner, packaging can yield significant return on investment through increased sales as a direct result of a better solution. It has been proven that consumers view a product and its packaging as a whole when making buying decisions. It is therefore essential that great products be packaged in environmentally friendly, easy-to-use and economical packaging.

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