



WPO
WORLD
PACKAGING
ORGANISATION

Better quality of life, through better
packaging, for more people



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Packforce Packaging Update - Nr. 3

Global Packaging Trends

Johannes Bergmair
General Secretary

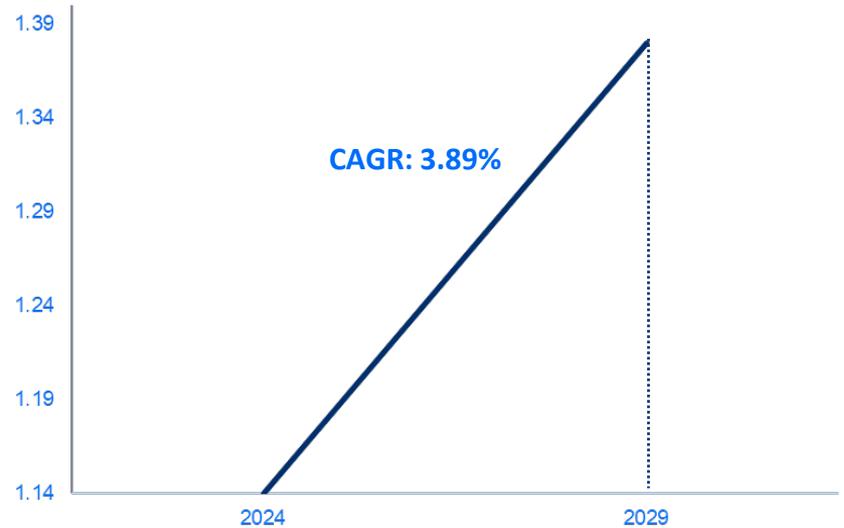
Vienna, 14th March 2024.



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The Future of Global Packaging

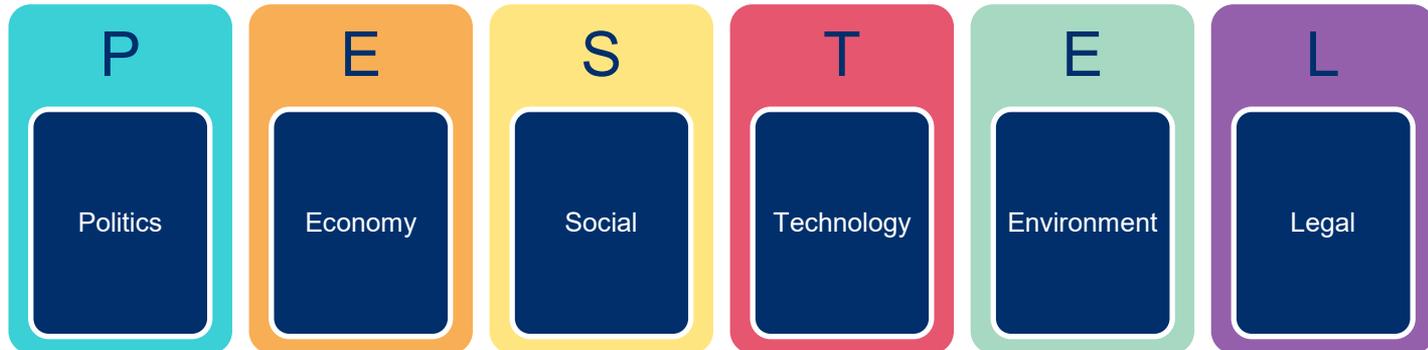
- The Packaging Market size is estimated at USD 1.14 trillion in 2024, and is expected to reach USD 1.38 trillion by 2029, growing at a CAGR of 3.89% during the period.
- The regions of the world where the packaging market is growing fastest and on the largest scale are Asia and the Pacific.



Source: Mordor Intelligence (2022).

PESTEL Analysis on Packaging Trends

- In the context of exploring packaging trends, the PESTEL analysis is a strategic tool used to examine and understand the external factors that can influence the packaging industry.





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Populist Movements and Regulation

- Legislators are increasingly confident in using legislation to drive environmental change and nudge consumers towards healthy consumption behaviors

Trade Restrictions & wars around the globe

- Political tensions may affect packaging materials and challenges in the availability of resources may arise

Environmental Concerns

- Influence of public opinion on sustainable packaging and pressure for greener practices in packaging manufacturing.



Packaging should be cut on Budget

- Packaging should be cost efficient
- Consumers are very price sensitive
- Avoid over-packaging

Invest in New Packaging Material

- Shift to less costly packaging material
- Mono Material

Invest in Packaging Functionality

- Packaging should be optimized to increase shelf life

E

Economy

74%

of consumers were concerned about the rising cost of everyday items in 2023

33%

of consumers switched to buying private label products to save money in 2023





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Combining the economics of product and packaging:

Across categories, brands are tapping messaging, technology and retail strategies to show consumers how packaging can stretch a budget.



LifeSpan Copper Based Film
Amcor – Copperprotek
Chile



ThermoShield Temperature Monitoring System
Caps & Closures
Australia



Modified Atmosphere Technology
Masterpack Group BV
Netherlands



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Lack of consumer trust toward the brands

Rising consumer demand for clear labeling

Increasing concerns about ethical practices and environmental impact



Brands should be more honest

Brands should be transparent

Brands should be more authentic

Packaging becomes the messenger for socially responsible initiatives and actions

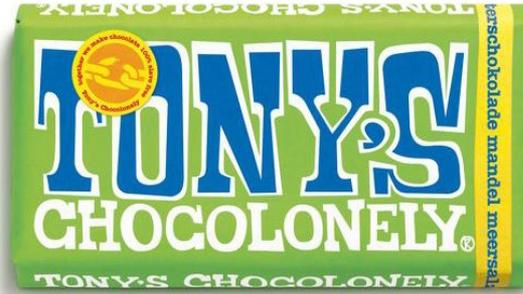
S

Social



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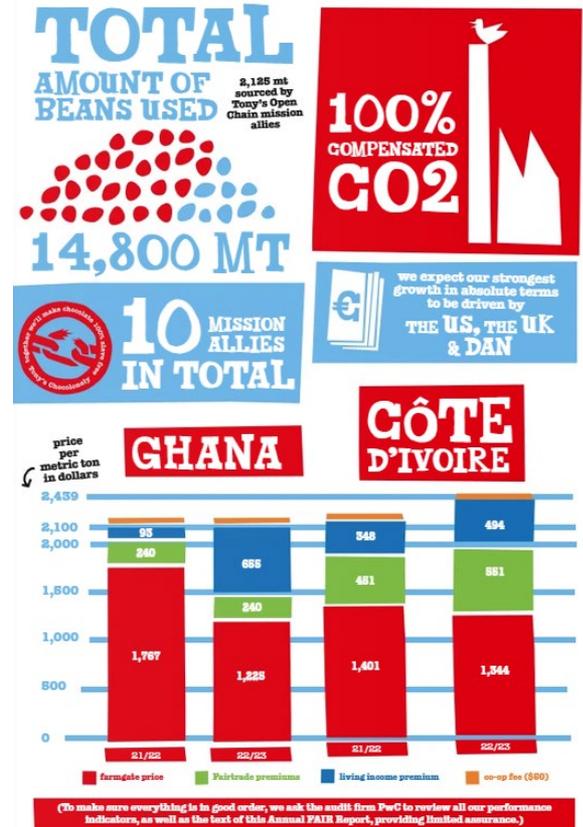
This Chocolate Company Is Making Sure its Chocolate is “100% Slave-Free”



unequally divided like the chocolate industry



Fairtrade and B Corp certified



Source: Tony Chocolonely (2023).

Social Impact:

Packaging becomes the messenger for socially responsible initiatives & actions

Partnership with Trillion Trees:

- Supporting the Trillion Trees Challenge for carbon reduction.
- Planting trees to sequester carbon dioxide.

Visual Sustainability:

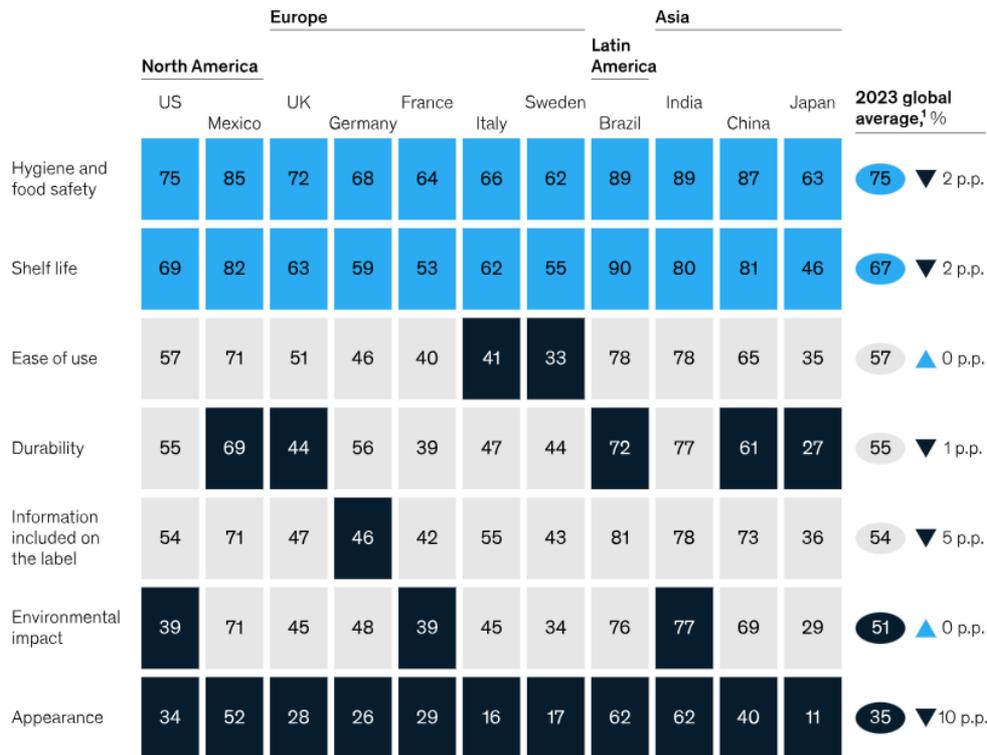
- Carton sustainability evident with unbleached board material.
- Recognizable on the shelf as the most sustainable choice.
- Clear demonstration of commitment to carbon reduction and environmental responsibility.



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Importance of different aspects of product packaging, respondents who indicated “extremely” or “very strong,” %

■ Ranked in top 2 ■ Ranked in lowest 2 ▲ Percentage point (p.p.) change from 2020



¹Excludes Mexico and Sweden.
Source: McKinsey Packaging Survey, March 2023

Using technology to attract young consumers

T

Technology

- Advancement in packaging technologies facilitates intelligent, informed, and convenient usage scenarios.
- Integration of materials, components, and digital enhancements by brands and manufacturers enhances purchase and usage experiences.



Be careful not to impress with flashy features that don't really add value!

Coca-Cola Introduces AI-Created Flavor

The AI evoked "how fans envision the future through emotions, aspirations, colors, flavors," the company said. The can's design is meant to reflect a "morphing, evolving state" in violet, magenta and cyan with a silver background to give it a "futuristic" feel. The Y3000 packaging includes a QR code that customers can scan to access Coca-Cola's Creations site and toy around with a scenario of what the world looks like in the year 3000.



Source: Coca-Cola (2023).

E-Commerce Packaging Innovations



Naturecycle
Platiweber
Brazil



Innovative ebike e-commerce packaging
DS Smith Packaging
Hungary

QR Code Innovations



Peel off end with QR-Code
Trivium Packaging
Netherlands

- Climate change poses a significant global threat
- Consumers will increasingly prioritize carbon reduction in their purchasing decisions.
- Brands must offer climate-friendly consumption options to meet consumer demands.
- Manufacturers to provide easily understandable packaging alternatives.

Sustainability choices will be evaluated based on their overall carbon footprint impact



79%

are looking for products in sustainable packaging.



59%

of consumers look for information on the recyclability or sustainability of the packaging on products they buy.



26%

of consumers are unsure what sustainable features to look for when considering a product for purchase.



46%

of consumers said unclear labeling is a barrier they face when thinking about purchasing products with sustainable features.



Optimum Packaging Design

- The biggest opportunities to improve product sustainability often come from changes in the wider value chain that surrounds a product

Design Optimization

- Build on principles of design to cost and design to value

Willingness of Consumers to use Reusable Packaging

- Reuse
- Reduse
- Recycle

For a product that currently sells for \$5 in a non-sustainable package, how much more would you pay for the product if it was sold in a sustainable package?



82%

of consumers would be willing to pay more for sustainable packaging.*

29%

are willing to pay over 10% more for sustainable packaging.*

Source: Euromonitor International (2023).



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WorldStar Winners of Sustainability Award



Sugarcane Pulp Hot and Cold Cup Lids

By: BioPak

Country: Australia and New Zealand

Category: SPECIAL AWARD - Sustainability
[Gold Award]



Coca-Cola Label-Free PET Bottle

By: Coca-Cola Tokyo Research & Development Company, Limited

Country: Japan

Category: SPECIAL AWARD - Sustainability
[Silver Award]



SeaStretch - the first manual Stretch Wrap made of paper

By: RAJA Norway

Country: Norway

Category: SPECIAL AWARD - Sustainability
[Bronze Award]

Issuance of many regulations and laws concerning the use of plastics and materials that contribute to pollution, as well as human and planetary health.

Key regulatory issues affecting businesses and consumers include:

health and safety, workplace safety, Cybersecurity, tax changes, among others.



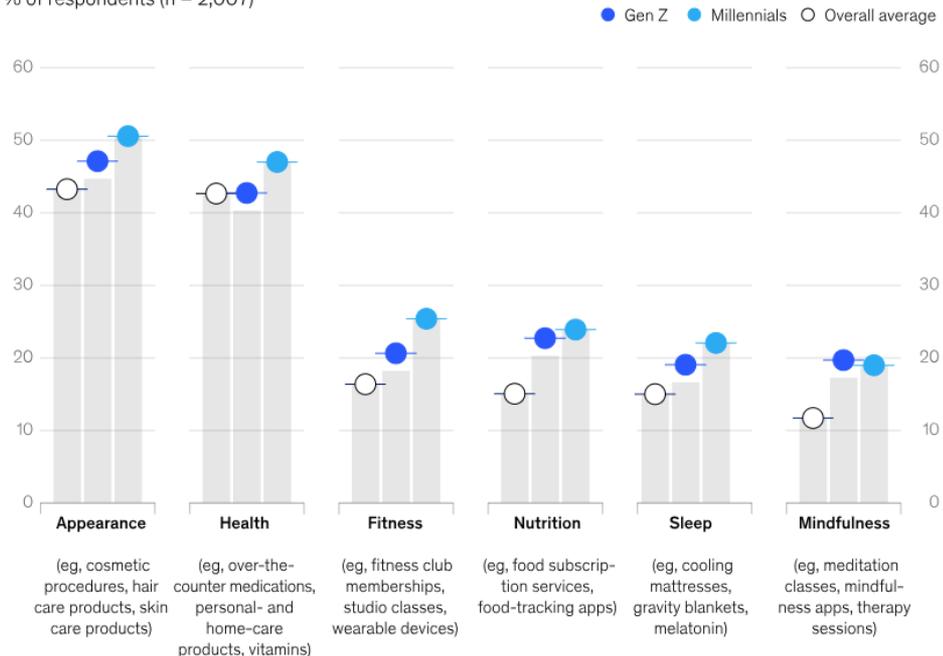
Bonus: Emotional & Mental Well Being

In the United States alone, it is estimated that the wellness market has reached \$480 billion, growing at 5 to 10 percent per year.

82% percent of US consumers now consider wellness a top or important priority in their everyday lives, which is similar to what consumers in the United Kingdom and China report.

Millennial and Gen Z consumers are spending more on health and wellness than older consumers.

US health and wellness purchases, by product/service type and generation,¹
% of respondents (n = 2,007)



¹Average across all products in each category. Percentage of respondents who purchased at least once in past 12 months. Source: McKinsey Future of Wellness Survey, Aug 2023

Packaging tells the story of society: Communication is not just at the brand level

HISTORY OF PACKAGING



CLAY
6000 BC



GLASS
2500 BC



WOOD
500 BC



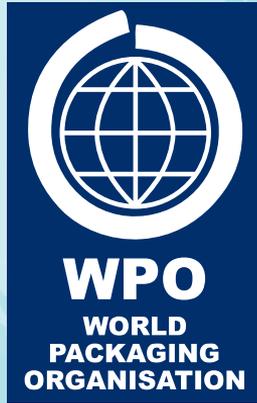
PAPER
150 AD



METAL
1810 AD



POLYETHYLENE
1933 AD



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