

Consumers snub excessively packaged options

By [Stephen Beattie](#)

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In recent years, eco packaging has gone from being a luxury to becoming a deciding factor when making a purchase. Environmentally responsible packaging is a top priority in today's retail environment and consumers are snubbing excessively packaged options in favour of minimalistic, re-usable or recyclable packaging.

It has been proven time and time again that packaging plays an essential role in the marketing mix.

With 70% of all purchasing decisions made in-store and consumers spending an average of only 20 minutes in a store at any given time, packaging is a critical factor in influencing consumers' purchasing decisions. As the new wave of 'conspicuous conservatism' continues, it is inevitable that the eco-credentials of a product's packaging will start to play a critical role in a customer's product selection.

A recent study conducted by Ipsos Marketing, Consumer Goods US confirms this trend. It has been found that global consumers have re-adjusted their priorities, particularly regarding food products, and they are increasingly choosing products that offer improved health benefits, fresher ingredients and environmentally-responsible packaging.

Local retailers are beginning to take notice, albeit a little slowly. Pick n Pay and Woolworths are just two of the companies at the forefront of the green movement, but are sure to pick up pace with the imminent arrival of the retail giant Wal-Mart, which has confirmed its commitment to continue reducing packaging across its global supply chain by at least 5%, by 2013.

Although this is a frightening prospect for the packaging industry, it can rest assured that the need for packaging will never completely disappear. However, there is no doubt that the demand for eco-friendly packaging is on the rise. A new study by industry research firm Freedonia Group has predicted that the demand for re-usable packaging or that comprised of recycled or biodegradable content will increase by 3.4% annually to \$43.9 billion in 2013. Green packaging is forecasted to outpace that of overall packaging growth.

The study has foreseen biodegradable plastics to have the fastest gains, which is fuelled by increased price competitiveness with conventional resins, lower pricing volatility than petroleum-based plastics and rapidly expanding capacity.

Recycled growth demands source reduction

The demand for recycled content packaging is predicted to increase in line with overall green packaging growth. Research

shows that plastic recycled content packaging is expected to drive this segment's expansion with the boost in collection volume and sustainability initiatives.

Source reduction is also vital. Many pharmaceutical companies aim to do away with outer cartons and separate leaflets by including patient information directly on the bottles, using Fix-a-Form leaflet labels. Therefore, fewer raw materials are utilised and the carbon footprint is reduced as less suppliers are needed, which also results in cost savings. Going green makes as much business- as environmental sense.

Now more than ever, brand owners are insisting on green products, which have quickly become something that consumers expect. This trend is forcing suppliers to switch their focus to eco-friendly and recyclable packaging if they want to remain relevant in today's marketplace.

On the local front, green packaging is the way forward for South African retailers. The demand for sustainable, environmentally-friendly packaging will be greater this year than ever before, as it meets consumers' desire for their purchases to serve a greater purpose. Eco packaging is not only better for the environment as it utilises renewable resources, but it also improves consumers' perception of your brand.

Reusable packaging grows

A related trend is the rise of reusable packaging. The industry expects a big demand from brands for reusable packaging, as it affords them an extended brand presence with consumers. From takeaway boxes that can be used as pots for houseplants to reusable carrying cases for lip balm, reusable packaging will be a big trend for the foreseeable future.

Packaging is still a necessary part of today's social and economic landscape. It is necessary, as it protects products and reduces perishing and waste. It also allows the customer greater convenience in terms of selecting a wide variety of fresh products, regardless of season, thereby raising the standard of living and helping to safeguard consumers' health. Packaging is not going away any time soon.

Although consumers will not necessarily forgo their favourite luxury items in favour of eco design concepts, they certainly will not feel comfortable supporting over-packaged or irresponsibly packaged goods. The green revolution is steadily growing each year. Suppliers who choose to ignore this fact do so at their own peril.

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