easyFairs® innovations in packaging
pan-european survey 2012
an investigation into the drivers of change
It is a great honour to be listed as a “thought leader” on packaging. Whatever the list tells us, the survey is a signal that the packaging profession is maturing. And this in particular gives me a good feeling. Packaging design is much more than what you see on the outside. To create new packaging requires a lot of engineering and insight into many processes. Packaging is continuously on the move because it is being influenced by many other disciplines such as printing techniques, logistics, food technology, engineering, process engineering, material innovations and machine developments, to mention a few. A designer or engineer cannot develop packaging in isolation any more. Many aspects have to be considered. Therefore, we need to view the world of packaging in a more structured way. This survey is already a good start to get more insight and is a next step towards maturity.

Having a chair at University Twente provides the opportunity to work on this and look at packaging from multiple perspectives. Students are very helpful in this, because they have an open mind and live in a dynamic world. Alongside this academic endeavour, it is good to be involved on many packaging design projects at the office of Plato product consultants. I hope this combination of lecturing and design consultancy will attract others to focus on this field of activity and become influencers on packaging as well.

Roland ten Klooster
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It’s hard to think of any business that combines technical wizardry, beauty and practicality in quite the same way as packaging. Whether it’s the latest easy-open lid, a fabulous new graphic design or an ingenious cost-saving material, there can be few businesses that have the innovative energy of packaging.

But understanding what is driving those changes, which factors are behind the packaging decisions of the technologists, designers, marketers and product developers, is crucial to everyone. For professionals working at brand owners and retailers, it helps understand where they stand compared to their competitors. For professionals working at packaging manufacturers, design agencies and materials firms, it is crucial to helping them understand what makes their customers tick.

That’s why Packaging News is delighted to be supporting this new pan-European study on packaging innovation, and the people making it happen, from easyFairs. We hope you will find it as enlightening as we have.

Josh Brooks
Brand Director, Packaging News and packagingnews.co.uk
executive summary

- Roland ten Klooster is Europe’s Packaging “Thought Leader”
- The most respected brands among packaging experts are Apple and Coca-Cola
- Two-thirds of packaging consumer companies currently remodel their packaging more often than once every two years; large companies rather more frequently; medium-sized companies change their packaging less frequently than the very large and the very small
- Household & non-food FMCG packaging consumers update most frequently
- Most packaging professionals (54%) believe their packaging budget will remain unchanged over the coming year. Of the remainder, more expect an increase than expect a decrease
- 57% of respondents regard their companies as radical or incremental innovators; the rest regard themselves as being in line with market norms
- Graphical changes to existing pack formats are the most common form of updates to packaging; the application of new materials is the second most common
- Cost reduction is the most important driver of innovation at the moment, followed by the desire to enhance a brand’s image
- The environment is expected to play a leading role as a driver of innovation over the next five to ten years
- Biodegradables are no longer seen as a fad; on the contrary, they are seen as the materials of the future
- Packaging professionals also regard paper and flexibles as the materials that will become increasingly important
- Mixed materials look to be stable; plastics and PET are mostly regarded as stable but sentiment is overall positive; glass, metal and wood will experience a more significant decline
- The two most significant sources of inspiration are suppliers of packaging and visiting trade shows (there is a strong correlation between the two)
- Sustainability is increasingly important. Nearly half of the respondents (47%) regard environmental responsibility as a part of their brand identity
- Germany is Europe’s clear leader on the issue of sustainability in packaging

“Roland ten Klooster is Europe’s Packaging Thought Leader”
“Cost reduction is the most important driver of innovation”
“Environmental responsibility is increasingly important”

survey demographics

2589 packaging professionals took part in the easyFairs Innovations in Packaging Survey 2012. The survey was conducted in June 2012. Emails were sent to people who have attended or exhibited at easyFairs packaging trade shows. The survey questionnaire was sent in six languages (English, Dutch, German, Spanish, French and Swedish). Replies were received from packaging professionals in 16 European countries. The distribution largely reflects easyFairs’ market presence in these countries, with the Netherlands, Spain, Belgium, Germany, Switzerland, Sweden, the United Kingdom and Austria accounting for 90% of completed questionnaires. Other countries represented were Norway, Ireland, Denmark, France, Portugal, Poland, Finland and Italy.

The survey covered all stakeholders in packaging. Suppliers of packaging, packaging materials, packaging machinery and packaging services accounted for the largest single sector (23%). The graphical industry accounted for 8% of the total and logistics suppliers for a further 3%. The food & drink industry was the largest packaging consumer sector; accounting for 18% of respondents, followed by industrial goods (7%), pharmaceutical & medical and chemicals (each 5%), cosmetics & perfumery (3%) and retail and wholesale (3%).

Figure 1: Survey Respondents by Country
survey respondents by sector (total: 2481)

Figure 2: Survey Respondents by Sector

- Agri-industry: 23%
- Automotive: 18%
- Mechanical engineering: 8%
- Fashion, footwear & textiles: 8%
- Electrical & electronic: 5%
- Marketing services: 5%
- Giftware: 4%
- Toiletries: 3%
- Other: 3%
- Household & non-food FMCG, toys: 2%
- Construction: 2%
- Retail & wholesale: 2%
- Cosmetics & perfumery: 1%
- Services and IT: 1%
- Logistics: 1%
- Chemicals: 1%
- Industrial goods: 1%
- Graphical industry and design: 2%
- Agri-industry: 2%
- Food & drink: 8%
- Packaging: 8%
- Agri-industry: 5%
- Automotive: 5%
- Mechanical engineering: 4%
- Fashion, footwear & textiles: 3%
- Electrical & electronic: 3%
- Marketing services: 3%
- Giftware: 2%
- Toiletries: 2%
- Other: 2%
- Household & non-food FMCG, toys: 1%
- Construction: 1%
- Retail & wholesale: 1%
- Cosmetics & perfumery: 1%
- Services and IT: 1%
- Logistics: 1%
- Chemicals: 1%
- Industrial goods: 1%
- Graphical industry and design: 2%
- Agri-industry: 2%
Within the food & drinks sector, dairy was the largest sub-sector, accounting for 14%, followed by other foods (13%), chilled foods (12%), confectionery (10%) and bakery (9%). Alcoholic drinks accounted for 8% of the food & drink total.
The survey population was also representative of a broad spread of packaging stakeholders. Operations, packaging & logistics accounted for the largest segment (26%) followed by general management (this included managing directors and owners, financial controllers, HR managers etc, 23%) and marketing & brand management (16%). Designers (10%), consultants (9%), sales (6%), purchasing & procurement (3%) and R&D and innovation (3%) accounted for most other functions.
The survey population represents all sizes of company from single-trader consultancies to multinational corporations with more than 1,000 employees. Medium-sized companies are strongly represented.

We asked packaging professionals whom they considered the most influential people in their sector in Europe. The most frequently named individual (by far, partly reflecting the large number of participants in the Benelux) was Roland ten Klooster, Professor Packaging Design & Management at the University of Twente. Ranked equal second were Lars Wallentin, author and former packaging design guru at Nestlé and the late Steve Jobs, founder of Apple. The President of the United Kingdom’s Packaging Federation, Dick Searle, and the designer and architect Philippe Starck tied for fourth place.

- Roland ten Klooster
- Lars G Wallentin
- Steve Jobs
- Dick Searle
- Philippe Starck

We also asked the survey population which they considered to be the most influential brands in the packaging industry in Europe. Apple and Coca-Cola tied for top spot, followed by Nespresso.

Here are the top ten brands nominated by our respondents:

- Apple
- Coca-Cola
- Nespresso
- Danone
- Absolut
- Heineken
- Tetra Pak
- Nestlé
- HAK
- Unilever
frequency of packaging revamps

We received 1325 valid replies (mostly from packaging consumer companies) to the question, “How often do you currently change or update your product packaging?” Nearly two-thirds of respondents (66%) stated that they change their packaging at least once every two years, with nearly a fifth (19%) stating that they change their packaging at least once every six months.

how often do you change your packaging? (total: 1325)

The largest companies (with more than 1000 employees) change their packaging more frequently than the average, with 70% making updates at least once every two years, and 22% updating at least once every six months.

how often do you change your packaging? (largest companies, total: 206)

The survey suggests that the companies that are slowest to change and update their packaging are mid-sized enterprises with between 51 and 1000 employees; more than two-thirds (67%) of these change their packaging less than once a year, and well over a third (37%) change it less frequently than every two years.

As one would expect, there are significant variations between sectors. In our survey, respondents from the cosmetics & perfumery sector were most likely to make changes at least once every six months – 26% of respondents. At the other end of the scale, only 53% of respondents from the industrial goods sector say their companies revamp their packaging at least once every two years and only 8% make changes more frequently than once every six months.

In the pharmaceuticals & medical sector, 23% of respondents reported that their companies make changes to packaging at least once every six months. Food & drink companies make slightly less frequent changes.

The sector that makes most frequent changes overall is household & non-food FMCG, with 47% of companies making changes or updates at least once a year.
Despite the recession that is biting hard in many European domestic markets, investment in packaging is holding up well. We asked respondents if, in the next 12 months, they expected their budget for packaging innovation to increase, decrease, or stay the same. Only 12% forecast a decrease in budgets, with 34% expecting an increase. A slight majority expects budgets to stay the same.

There are wide divergences in expectations between sectors. Nearly half (42%) of food & drink companies expect to see an increase in investment in packaging over the next 12 months, compared with just 30% in cosmetics & perfumery. Pharmaceutical & medical companies are more likely to expect their budgets to stay the same (55%) or decrease (18%).

The food & drink sector sees itself as marginally less innovative than average. By contrast, a majority of cosmetics & perfumery companies are conservative in their approach, with only 17% seeing themselves as radical innovators.

Perceptions change by country. In Germany, a very high proportion of companies (45%) see themselves as incremental innovators while only 38% are happy to change at the same pace as the competition. In Switzerland, 48% of companies see themselves as incremental innovators and 36% as the same as competitors.

By contrast, in the Nordic countries (Sweden, Norway, Denmark and Finland) there are more radical innovators (25%) yet the majority (52%) simply aim to match the competition.

Nearly a third of UK-based respondents (32%) regard their companies as radical innovators. Benelux-based respondents see themselves as slightly more innovative than the average, with 41% regarding their companies as in line with the competition.
plans to innovate in the coming 12 months

We asked the survey population about its plans to make changes over the next 12 months. This confirmed the finding that change is mostly of an incremental nature. Graphical changes to existing pack formats are the most common, mentioned by 709 respondents, and a substantial number of companies (580 respondents) plan changes in materials. 261 respondents said they planned to renew their entire packaging.

Unsurprisingly in the year of the Diamond Jubilee and the London Olympics, UK-based respondents are more likely to be introducing designs related to events. 23% said they would do so, compared to 18% in Germany and just 7% in Benelux countries.

most important drivers of innovation

We asked packaging professionals, “Which of the following considerations are currently driving your packaging decisions?” They could choose the three most important of nine drivers.

Cost reduction is the most important driver of change according to our survey population, closely followed by brand image. Despite claims of “greenwashing” by critics of packaging, a very high proportion of respondents named environmental considerations as an important driver, almost as important as brand image.

Legislation and regulations are less important than one might imagine (these are often cited as burdens on the packaging community). Perhaps most surprising of all is the weak influence of demographic factors such as the ageing population or the increasing number of single-person households. These developments clearly have very little impact on the packaging community’s business strategies and it may be that companies will have to adjust in future.
packaging materials:
what’s hot and what’s not

We asked packaging professionals to give their opinion on which materials are increasing in importance, which are in decline and which are stable.

Unsurprisingly biodegradable materials are very much in the ascendancy, with 75% of respondents stating that they are increasing in importance and only 5% stating that they are in decline.

The other big winner in the survey is paper, with 47% stating that its importance is increasing and only 8% that it is in decline.

Plastics and PET are viewed as mainly stable, but with those who say they are increasing in importance outnumbering those who say they are in decline.

The sentiment about flexibles and film materials is highly positive.

The future for glass, wood and metal appears to be less assured.

Respondents are divided over the future of mixed materials.
sources of inspiration

We asked packaging professionals where or whom they turn to for inspiration, again giving them the opportunity to choose up to three from nine options.

Suppliers of packaging are the most frequently named source of inspiration, followed closely by visiting trade shows. Many companies watch and analyse the competition as a source of insight. Of those who named unprompted sources of inspiration (“Other”) a significant proportion mentioned customer feedback, consumer research and personal insight and experience.

Figure 24: Sources of Inspiration

many companies visit trade shows as a source of inspiration and insight
cost and the environment expected to drive future innovation

We asked packaging professionals to name the three most significant drivers of change over the next five to ten years. The need to adjust human behaviour to the demands of the environment tops the list, with 879 votes. The more traditional drivers of innovation—the need to optimise costs and to respond to competitive pressures—are the next most important. Consumer convenience figures high as does consumer resistance to over-packaging, which is closely related to the environmental issue. Consumers clearly have more influence than retailers and the law.

We need to adjust human behaviour to the demands of the environment

approach to environmental packaging

We asked packaging professionals, "Which of the following statements best represents your approach to environmental packaging?" offering three possible answers:

- It's part of our brand
- It's not relevant / there is no customer demand
- There is customer demand but the costs outweigh the benefits

Nearly half of the 1513 packaging professionals who responded to this question (47%) stated that environmental packaging is part of their brand. 31% said that costs were preventing them from moving towards a more environmentally friendly approach. Only 22% stated that environmental packaging is not relevant / there is no customer demand.

![Figure 25: Factors that Will Drive Future Innovation](image)

![Figure 26: Approaches to Environmental Packaging](image)
Finally, we asked packaging professionals “Which European country (apart from your own) do you think takes sustainability in packaging most seriously?” We received 1512 valid responses. While not all respondents respected the rule against voting for their own country, the outcome was not in question; it was overwhelming endorsement of Germany’s efforts to embrace a sustainable approach to packaging. Other northern European countries regarded by respondents as doing relatively well are the Nordics, Switzerland and the United Kingdom.

Figure 27: Which Countries Take Sustainability Most Seriously?