

# Packaging Trends & Opportunities: What's now and what's 'next'?

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Trends, insights, and points of view on lifestyles, purchasing drivers, innovation, responsibility, and the impact of COVID-19 on packaging.



**David Luttenberger, CPPL**  
Mintel Global Packaging Director

## It's not about a '*new*' normal' for retail, e-commerce, consumers, products or packaging. It's about what's '*next*'.

*"New" is static. "Next" looks forward.*

*The "next normal" is our current reality  
and its parameters vary from  
consumer to consumer,  
category to category,  
market-to-market, and region to region.*

Source: Marcia Mogelonsky, [Mintel Food & Drink Consumer Blog](#)

"New" describes something that is current, contemporary, or present-day.

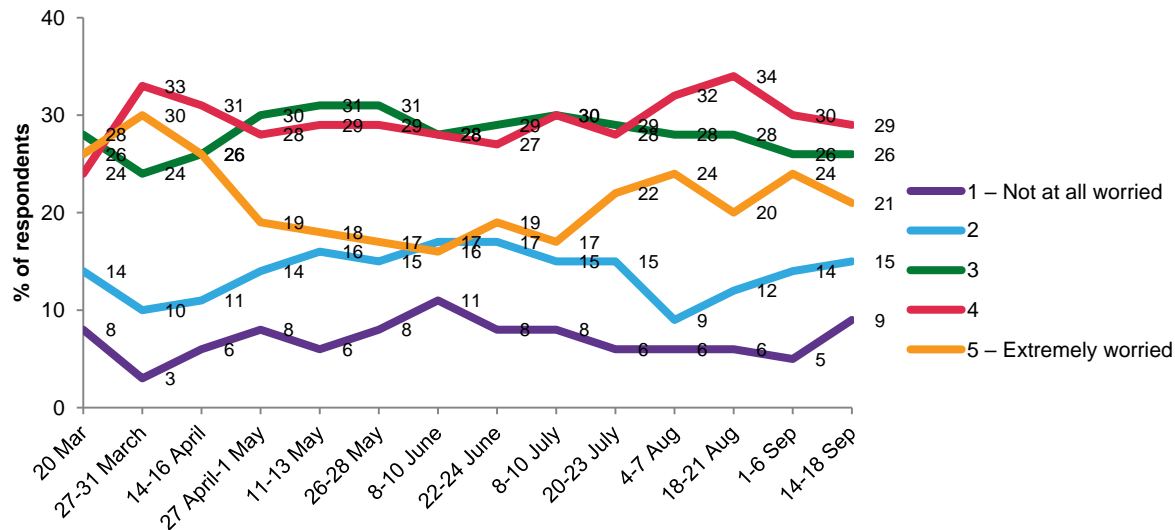
"Next" has a more complex meaning. It suggests movement forward. It means "next person, event, or scenario, that follows the current person, event, situation, or scenario."

Because of the ferocity and fluidity of COVID-19, there will be a multitude of "next" scenarios.

With "next" comes challenges and opportunities for retailers, brand owners, and package manufacturers.

# Worry around the world

Australia: "How worried are you about the risk of being exposed to the coronavirus (also known as COVID-19)?", March-September 2020



Base: 500 internet users aged 18+

Source: [Dynata/Mintel](#); [Mintel's Global COVID-19 Tracker](#); Johns Hopkins University. \*November 9, 2020

50%  
of Australians\*

58%  
of US consumers\*\*

44%  
of Chinese consumers\*\*\*

46%  
of Brazilian consumers\*\*\*\* are  
extremely or just slightly less  
than extremely worried about  
exposure to COVID-19



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# COVID-19 will reshape long-term shopping behaviors

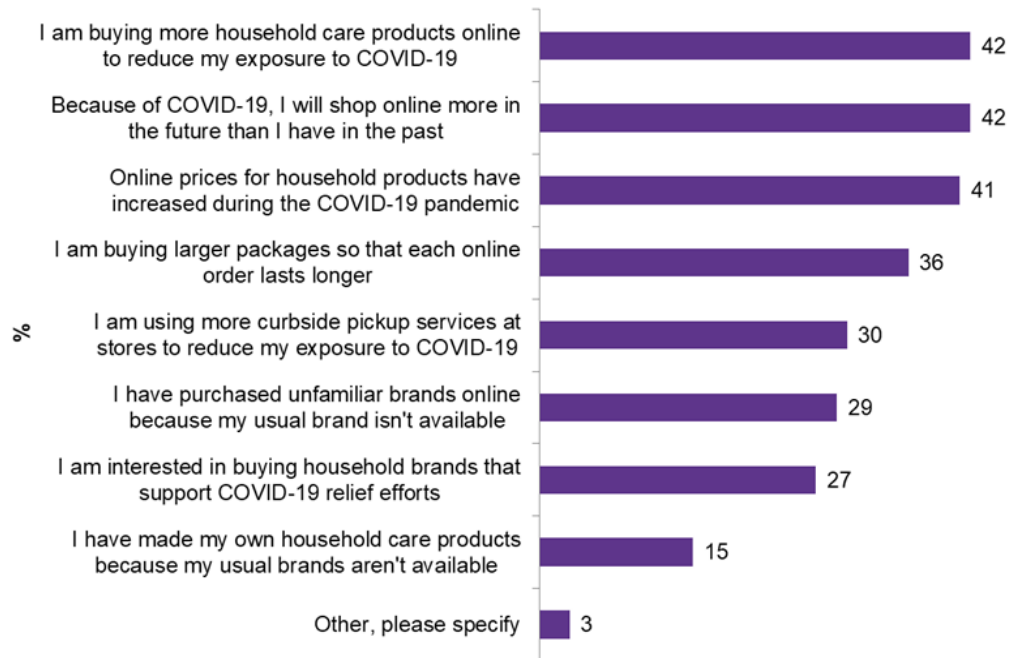
The impact of COVID-19 on ecommerce has been profound. 42% of consumers are **buying more household products online**, and an additional 42% believe **they will maintain this behavior** into the future.

36% of consumers are also **buying larger packages** online so that they last longer (this could also be a strategy to reduce shipping costs), suggesting that online retail is becoming more of a stock-up channel.

## Packaging Analyst's POV:

Larger pack sizes could offer an opportunity for cap/closure manufacturers to create a long-lasting impression on consumers for their ability to maintain efficacy and contribute to safety.

## Changes in Shopping Behavior Due To COVID-19

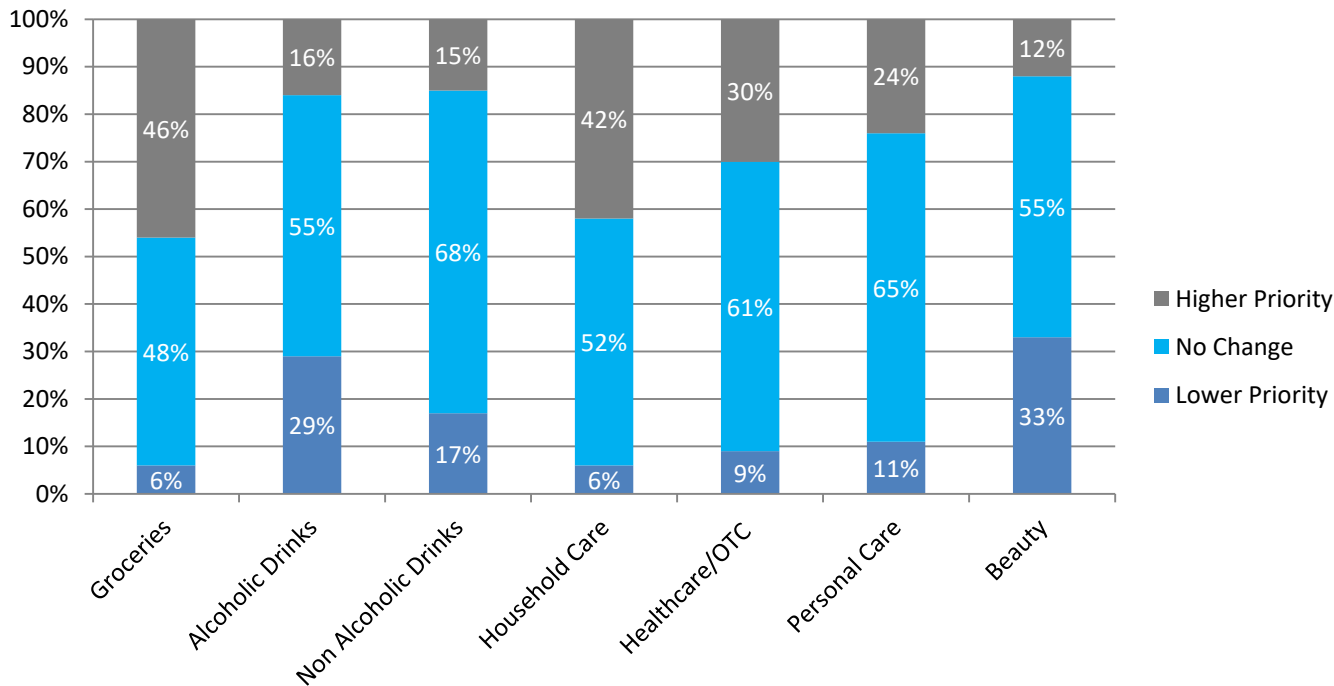


Base: 893 internet users aged 18+ who do at least some household shopping online

Source: Lightspeed/Mintel

# Purchasing priorities shift toward food, household care

US: Since the COVID-19 outbreak, how have your spending priorities changed the following? Aug. 27 - Sept. 8, 2020



## Packaging Analyst's POV:

When consumers do shop, they are putting a higher priority on such staple items as groceries, as well as household care products as they endeavor to maintain a home that is safe and sanitary.

Mintel has identified that in context with food and drink, consumers' worlds revolve around the at-home experience.

This provides brands and package manufacturers with **new opportunities to ideate around new packaging formats that are conducive to an at-home experience, as well as pack formats that reduce "sharing" opportunities.**

# Three macro-level food and drink shifts emerge from COVID-19

## Home is where everything happens

For better or worse, our homes will remain our primary settings as we adjust to "[the next normal](#)."

People have adopted or rediscovered at-home [cooking](#), [snacking](#), [drinking](#) and hobbies such as gardening. This will continue as the lack of treatment or vaccine for COVID-19 keeps many people working, studying or job-hunting from home.

## An awakening about the food supply

[Panic shopping](#) and temporary product shortages taught people about the intricacies of the food supply chain. A few markets saw reduced supplies of categories such as [dairy](#), [meat and poultry](#).

The outbreak also has inspired consumers to support local businesses, challenging imported goods to share stories about origin and quality.

## Shoppers renew trust in big companies, but don't rely on 'legacy'

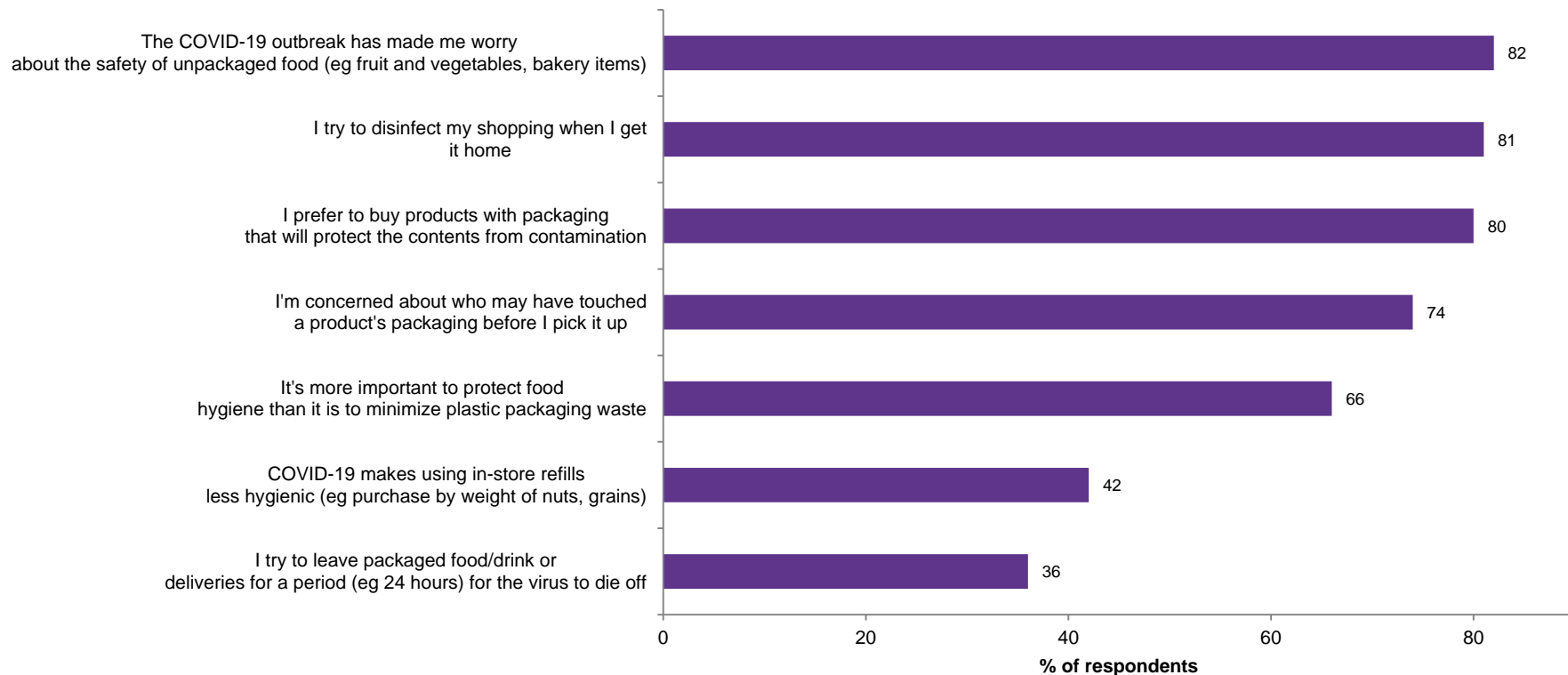
Many shoppers stocked quarantine pantries with trusted brands from large food and drink companies.

But with availability being a key purchasing driver, legacy brands cannot become complacent and rely on their legacies.

Beyond trust, buying from big companies with [corporate social responsibility \(CSR\) policies](#) has the benefit of advancing ethical and environmental causes.

# Attitudes and behaviors toward product packaging

**Brazil: "Thinking about grocery shopping and product packaging, do the following statements apply to you?",**



B.

## Packaging can be a key player in consumers' desire for mental and physical wellbeing

For the majority of adults, worrying about the future is their main source of stress, emphasizing the impact of the COVID-19 pandemic on emotional strain.

Uncertainty over the economy, work stability, personal finances, exposure to the virus, as well as routine and relationship changes have put consumers on high alert.

*Marissa Gilbert, Mintel Associate Director, Health & Wellness*

*Source: Mintel, Managing Stress and Mental Wellbeing:  
Including the Impact of COVID-19*

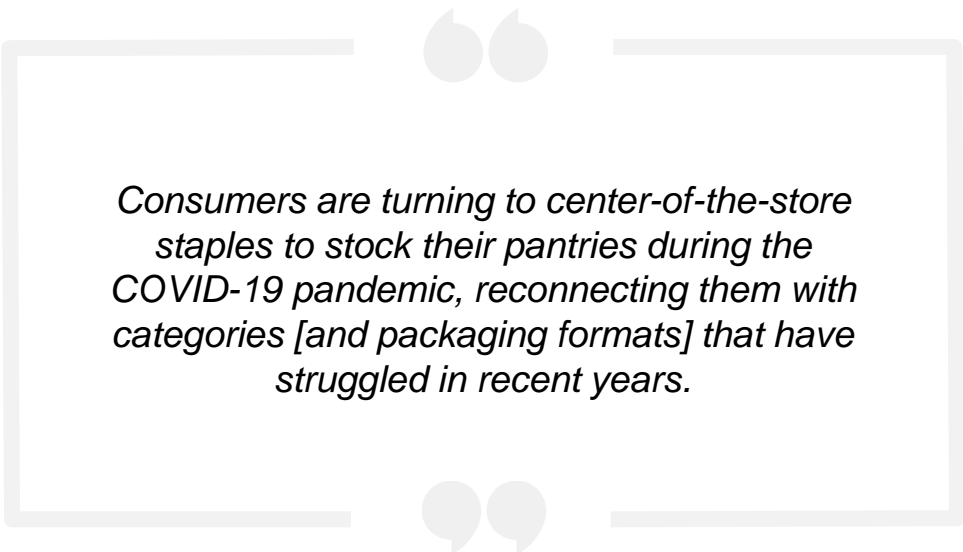
Packaging affords a **sense of physical safety** for packaged Food, Drinks, BPC, and Household products. It's also proving again to be nearly irreplaceable as take-out containers.

The ability to easily disinfect or quickly (and properly) dispose of plastic wraps, containers or bottles affords a **overall sense of emotional safety**.

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# COVID-19 has created a center-of-store renaissance



*Consumers are turning to center-of-the-store staples to stock their pantries during the COVID-19 pandemic, reconnecting them with categories [and packaging formats] that have struggled in recent years.*

Melanie Zanoza Bartelme, Mintel Global Food & Drink Analyst

Many consumers are infrequent center-of-the-store shoppers. For years, [center of store sales have been stagnant](#) as consumers prioritized fresh foods in minimalist packaging positioned along the perimeter.

But with COVID-19 panic buying and [stockpiling](#), such traditional shelf-stable package formats as cans and glass jars, or such contemporary formats as pouches and plastic jars with lug-style lids, are finding new favor.

Short term, brands can create [connected packaging](#) opportunities by adding links or codes to labels that take consumers to meal prep videos or Pinterest links.

Thinking long term, brands and **package manufacturers** can work together to [integrate center-of-store packaging and point-of-purchased displays with smart homes technologies](#) to create a preference for pack formats that will remain on shopping lists long after the COVID-19 crisis has passed.



Read on [mintel.com](https://www.mintel.com)

# Center of the store sporting contemporary pack formats



## Dry cereal in a can

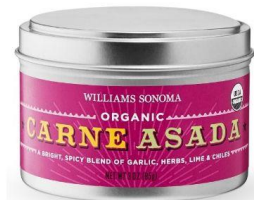
Brazil-based [Natubom](#), provider of functional and natural foods, has taken a step back in packaging history, but simultaneously leaped several steps into the future of the center-of-the-store with the introduction of granola in a steel can.

A clear, snap-on top enables product inspection and resealability. In what is claimed to be a first in the Brazilian market, Natubom has pioneered the use of not only digital "in-the-round" printing, but has employed a silk-touch matte texture.



## SUPs stand apart amid COVID's bread baking culture

[Bob's Red Mill Paleo Flour](#). Resealable stand-up pouches, contemporary style and convenience attributes make them stand out, especially to younger consumers, in center-of-store aisles and categories.



## Getting shoppers' a-'tin'-tion

[Williams Sonoma Organic Carne Asada Mix](#). Tapping into the modern visual effect of decorated tin puts the spice back into the center-of-store shopping experience.

## COVID fuels favor for larger pack sizes; proteins and meal kits are key targets

Even before the COVID-19 pandemic, younger consumers, and similarly [consumers with children in the household](#), already expressed interest in bulk-sized packaging for meat. COVID-19 will make pre-packaged, multi-serve formats even more appealing to consumers, not only because of a lower per-ounce price, but also due to concerns around health, safety and sustainability.

### Desire for hygiene and safety

Larger pack sizes allow consumers who are concerned about personal safety to visit the grocery store less frequently. Pre-packed bulk-sized meat also helps to limit interactions with store employees at the butcher counter.

### Using new or improved cooking skills to save money

During the pandemic, many consumers have found themselves cooking more meals at home.

Proteins in bulk-sized packaging can be turned into a number of dishes for multiple occasions, allowing consumers to spend less money per ounce.

**BULK-SIZED PACKS  
SKEW YOUNG**

**23%**

of [18-34 year old consumers](#) who buy red meat prefer bulk-sized packaging  
(vs 11% for 55-64 age groups)

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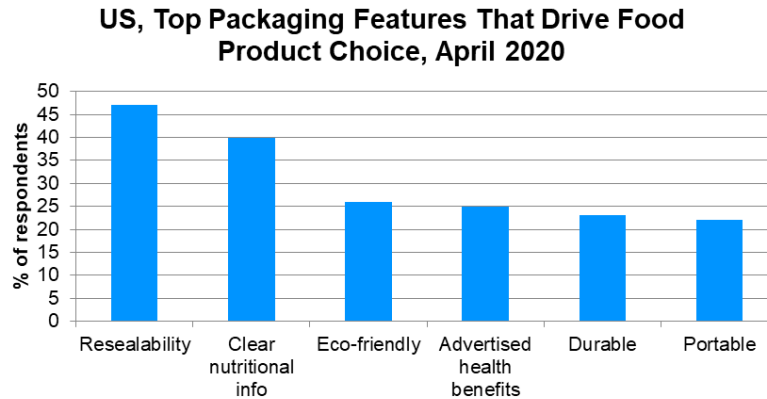
**Base:** 650 internet users aged 18+, March 4-6, 2020;

**Source:** Lightspeed/Mintel

## Portion packs address food waste; while larger pack sizes can become an 'eco-attribute' worth marketing 'next'

Brands can address the issue of food waste sometimes associated with larger pack sizes. This could be done through on-pack or online storage and recipe suggestions.

Alternatively, brands can reduce the risk of waste by promoting longer shelf life with packaging design. For example, some brands offer individually sealed portions that can be refrigerated or frozen to make food last longer.



**Base:** 1,962 internet users age 18+ who are responsible for food shopping

**Source:** Lightspeed/Mintel

**Base:** 2,000 internet users aged 18+, August 27-September 8, 2020

**Source:** Lightspeed/Mintel; Mintel's Global COVID-19 Tracker

# 27%

of US consumers\* have placed a higher priority on caring for the environment since the outbreak of COVID-19



Read on [mintel.com](https://www.mintel.com)

# Before criticizing it, replacing it, or banning it, consider the role packaging has historically been asked to perform, and how long it has taken to get to where we are today

For more than a century, package development has been driven by consumer convenience, functionality, product protection, image, and most notably, cost. Sustainability is a relatively recent driver.

As we enter the third decade of the 21st century, we are just beginning to define and build the framework for what sustainable packaging looks like, how it acts, and what role we all play in ensuring sustainability.

## WHAT IT MEANS

Mintel's packaging experts believe this means setting our sites on the potential that lies within responsible fossil-fuel-based packaging and processes *and* next-generation options.

***“The rush to leave plastics behind has the potential to cause increased [negative] environmental impact. In the mad dash to replace plastics, it’s important that we remember the job we are hiring packaging to do.”***

Nina Goodrich, Executive Director, GreenBlue



## Responsibility is the new sustainability



**“The Mintel Packaging Team prefers and uses the terms ‘responsible’, ‘responsibility’, and ‘responsible packaging’ vs. ‘sustainable’, ‘sustainability’, and ‘sustainable packaging’.**

**We believe these terms are more intimate, reflect more easily understood terminology, and impart a personal connection and action-ability to the greater issues, challenges, and solutions associated with our planet, its people, consumer products, and of course, packaging.”**

*David Luttenberger, Mintel Global Packaging Director*

# Consumers expect package, plastic reductions, and more ‘hyper-actionability’

## THE REALITY

Consumers often don't see, understand, or recognize behind-the-scenes efforts brand owners are making toward the reduction and optimization of packaging.

## THE IMPLICATION

Consumers will continue to lash out at brands who, in their opinions or based on what influencers tell them, aren't doing enough right now to solve the problems with packaging right now.

## THE OPPORTUNITY

It is imperative that package manufacturers, brand owners, and retailers work in harmony to engage and enlighten consumers on the fact that **package reduction or package sustainability efforts are not an all-or-nothing proposition.**

Progress toward and trumpeting of package reduction efforts are generally better than headlines touting lofty commitments.

*\* taken from Mintel's 35-market consumer research study, December 2019*

*Base: 1,000 internet users aged 18+*

*Source: KuRunData/Mintel*



65%

of **German consumers** would like food/drink brands to reduce the amount of packaging they use

55%

of **US consumers** would like food/drink brands to use packaging that can be recycled packaging

52%

of **Brazilian consumers** say it's difficult to know if empty packages are recyclable

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# Now, next, and into the future: what will resonate with consumers?

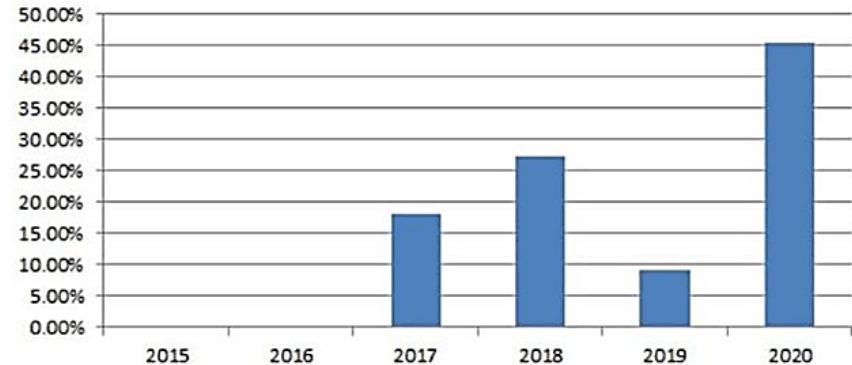
The next decade will be an era of uncertainty in the packaging and consumer product and food supply chains.

Consumers will look to those products (and brands) that can help them take accountability for and reduce their personal carbon footprint.

Carbon reduction claims regarding packaging formats could mitigate negative perceptions of products such as meat and dairy as sources of carbon emissions.

**Mintel's Global New Products Database reveals that between Jan. 2015 and Dec. 2019, on-pack claims regarding “carbon footprint” have increased 260%, albeit from a relatively small base. This is across all regions, all end-use categories, and all pack formats.**

**Global, Percent Change of Introductions with Carbon Negative On-pack Claims, Jan. 2015 – April 2020**





# Alternative Facts

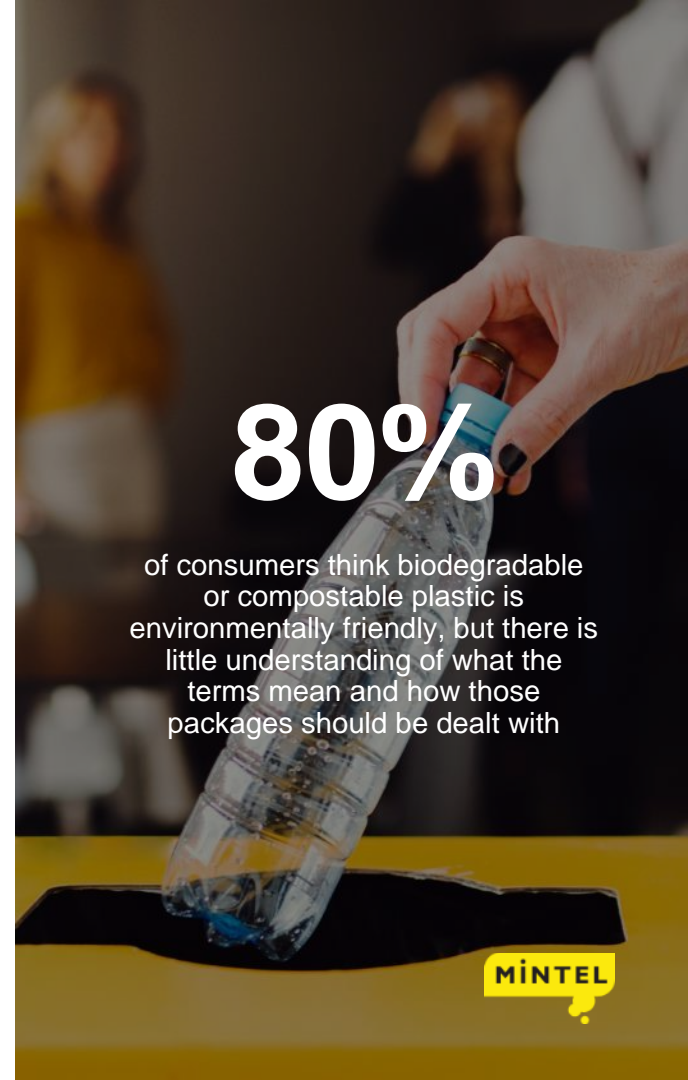
The lack of consumer understanding about compostable, biodegradable, or bio-based packaging puts unrealistic expectations on brands and leads consumers to believe that these options will “just go away.”

**Mintel's Global New Products Database** has recorded the following on-pack claims related to carbon reporting:

- Carbon Neutral
- Carbon Negative
- Carbon Positive
- Carbon Balanced
- Carbon Responsible
- Carbon Free
- Carbon Offset
- Carbon Sequestered

## Mintel Recommends

On-pack messaging, [connected](#) packaging, and social media are the means through which brands can engage, enlighten, and educate consumers.





# COVID-19: Cause and effect on consumers

## Consumers are more vocal in demanding moral brands

Brands will do well to:

- Make sure they act with high moral integrity to protect consumers' rights,
- Make this widely known by offering transparency and proof of ethics,
- Highlight sustainability and ethical/social practices

## Gain loyalty and trust by delivering real value

- Consumers are budgeting cautiously, but are still spending,
- Seeking brands they can trust,
- Demanding proof of product/service value benefits.

The recession won't last, and building partnerships with consumers to get through tough times will be key to forging strong loyalties longer term.

## Consumers seeking relief in any form

Spending on "affordable indulgences" is slowly returning, led by eating out and sports/fitness activities. The enthusiasm for travelling remains strong.

While the big barriers for taking holidays are still there (eg safety, travel restrictions), people will still prioritize short-haul domestic travel over other recreational activities.

# Mintel recommends

## Put plastic [and packaging] back in the "plus" column

Plastic, and packaging, is back...at least temporarily.

Amid COVID-19 concerns with reusable totes and sanitation, plastic packaging is proving to be a safe and mandated choice for grocery retailers.

Moreover, consumers are examining the role of all types of packaging in keeping products, and themselves and their families, safe, fed, and healthy.

**Capitalize now** on consumer interest in packaging's safety and hygiene attributes to push the eco-attributes that may not have triggered their interest before.

## Continue to innovate and communicate

Product ideation, package innovation, and eco-responsible packaging projects should not be shelved.

Now is the time to consider how to push such existing formats as shelf-ready and shelf-stable secondary and primary packaging technologies, as well as next-generation eco-responsible innovations through the pipeline.

The focus is on availability, affordability, and eco-responsibility.

Exploit [connected packaging](#) engagements and social media to push the message out to consumers.

## Meet the Experts



### David Luttenberger, CPPL

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