



Overview

A new and fast-growing category, “functional packaging” is helping brand owners add value to existing products while transforming the way consumers make decisions at the point of sale.

Functional packaging includes flexible pouches and stickpacks, and may utilize pressure-sensitive reclosures. Such features are intended to help people enjoy a variety of benefits, including greater confidence in the freshness of their purchases, greater ease of use, and greater convenience.

To better understand how consumers perceive, select and interact with functional packaging, Avery Dennison partnered with MarketVision, one of the country’s leading providers of custom market research solutions.

Consumer Perceptions of Functional Packaging

An Avery Dennison White Paper



The company sought to learn four things:

- The reasons consumers choose functional packaging, and the importance of specific packaging features such as tamper-evidence, ease of storage, sustainability, product visibility and ability to maintain product freshness
- Whether consumers are willing to pay more for added packaging functionality; if so, how much more
- How consumers react emotionally to traditional and functional packaging
- Functional packaging pain points, and how might brand owners address them



Methodology

MarketVision coordinated and administered a series of four focus groups. These were held at an independent market research facility in late February, 2018.

A total of 16 consumers were split into four panels. Participants were pre-screened to include primary grocery shoppers in their households. They represented a range of ages (all 25-64), ethnicities, and household sizes. All household incomes were \$50,000 and higher. Three of the panels were all women, one group was all men.

Prior to each session, panelists were asked to create a collage identifying familiar packaging types that they like, and those that they dislike, based on functionality.

Once each session began, the panelists took part in a shopping exercise in which they were presented with the following products, presented in both “traditional” and functional packaging.

- Dry Food: cookies, crackers and drink mix
- Fresh Food: tomatoes, lettuce, fresh meat
- Personal Care (women only): shampoo, lotion, makeup wipes
- Household Cleaning Products: disinfectant wipes (men only)

Participants then identified the product they would be most likely to purchase in each category, and their reasons for those selections. Finally, their selections and reasoning were shared and discussed within the group. They also discussed the choices they made in their “likes and dislikes” collages.

Follow-up nationwide survey

Three weeks after these focus groups, Avery Dennison participated in a nationwide, online, omnibus survey of 1,000 consumers, conducted by Ipsos. Ninety-four (94) percent of the survey’s respondents identified as the member of the household who handles shopping and meal preparation.

The survey was intended to complement the focus groups. It asked respondents about how often they move food into another package (such as a plastic container or baggie), what packaging features they seek, whether they’d be willing to pay more for desirable packaging features, and what packaging features frustrate them the most.



Key findings

1. Functional packaging delivers practical benefits, and people would likely pay more for those benefits

Our focus groups indicated that consumers seek out functional packaging that provides the following, primary, practical benefits (in descending order of importance):

- Freshness — Provides a secure seal to ensure product lasts longer
- Ease of use — Does not require the use of scissors or other tools to open packaging; parents (for their children) and seniors were particularly drawn to this
- Sustainability — Minimizes or eliminates waste
- Storability — Adequately protects the product in storage
- Convenience — Offers on-the-go single size packaging, ideal for work and travel; those living alone were particularly drawn to this
- Flexibility — Stores easily, is portable, and offers a cue for repurchase
- Protection — Ensures the safety of the contents

The omnibus survey generated similar findings: The top two benefits were freshness (68 percent of respondents identified this as a sought-for feature), and ability to reseal/close (58 percent). These features were more important to those over

the age of 35. Additionally, between 40 and 50 percent of survey respondents identified convenience, ease of storage, protection of product, and clear visibility of product as desired features. Ease-of-use features were significantly more important to respondents with children in the home.

The survey results also indicated the lack of these benefits in traditional packaging. More than 70 percent of shoppers said they remove fresh foods (fruits and vegetables, deli meats, cheeses) from their original packaging, and place them in a zippered bag or plastic container for storage.

So, are people willing to pay more for these benefits? The focus group panelists were asked about their willingness to pay more for these features. Generally, many confirmed that they would be — anywhere from 10 percent to 50 percent more for features that ensure a longer storage life, make the package easier to open and use, or make the package more convenient.

This was more pronounced for features intended to make a product stay fresh longer or be easier to handle. It was less pronounced for features that add convenience to a product.

According to the survey, 60 percent of respondents indicated they'd be willing to pay more for these features, with 25 percent indicating they'd be "very likely." This likelihood increased with shoppers age 18 - 35, and those with children.



Additional focus group highlights

- Cookies: All 16 panelists chose the resealable packaging over the traditional packaging because of its ease of use and improved freshness implied by its tighter seal.
- Crackers: 14 of 16 preferred the resealable packaging for easier opening, especially for kids. The remainder preferred the traditional box for easier storage and better product protection
- Drink mix: 9 of 16 preferred a single-serve format, appreciating the ease and convenience. Others cited the economic value of a traditional, full-size container.
- Tomatoes: 4 of 16 preferred resealable packaging over traditional clamshell packaging. Despite some positive response to improved visibility of the resealable packaging, clamshell was preferred due to perceptions of better sealing, storing and durability.
- Lettuce: 15 of 16 chose the resealable plastic container over the traditional bag. Panelists valued its ease of opening, freshness implied by its tighter seal, and more durable plastic.
- Deli meat: 3 of 16 chose resealable packaging, citing its ease of opening. The remainder preferred a traditional plastic tub, primarily for its reusable container.
- Travel-size shampoo: 8 of 12 women preferred the traditional bottle for its ease of opening. Those who preferred the tear-away packet cited its ease of squeezing out all the shampoo.
- Lotion: 8 of 12 women chose a sturdy, large, traditional jar, preferring its ease to open and store. Smaller tubes and tear-away packets held value given their portability and easy use.
- Baby wipes: All women chose the pouch with a traditional plastic lid, compared to pouch with a resealable film. They viewed the lid as adding an extra level of security to prevent wipes from drying out.
- Household disinfectant wipes: All men preferred the traditional canister, given their familiarity with this type of packaging.



2. Packaging drives powerful emotional responses

When given an opportunity to share their packaging likes and dislikes, and their reaction to the functional packaging examples, focus group panelists expressed a range of emotions. These included:

- A strong desire for packaging that keeps products fresh
 - "Seeing what's inside is more important in judging freshness than what's written in small print on the package."*
 - "With a zip closure, I know the cheese is going to last a lot longer than if it didn't zip shut."*
 - "I feel like you lose a lot of the benefits of a skin care product once the air hits it."*
- Frustration in having to use extra tools to open a package
 - "To get the scissors and cut the bag, that's just another thing I have to do."*
- Comfort in knowing a container can be reused
 - "I'm all about reusing the tub to store things."*
- Relief when a product comes out of a package easily
 - "Squirting the lotion is cleaner than sticking fingers in a jar."*
 - "This eliminates the need for me having to reach in (the canister) sometimes to get the next wipe."*
- Confidence in the ability of sturdier packaging to hold a product
 - "The seal made me feel confident that it hadn't been opened."*
 - "Orange juice jugs are much easier to hold and pour than the cartons."*
- Joy in knowing that a single serving packet can be easily used on the go
 - "Individual packets make it easy to carry with you and use."*
 - "I don't want more packaging than what is needed."*



Finally, when asked what features of traditional resealable packaging are most frustrating, survey respondents shared thoughts such as the following:

- "Zipper top packs that either don't stay zipped or are difficult to pull zipper apart"*
- "Deli meats and cheeses in plastic packaging that doesn't reseal."*
- "(Packaging that is) hard to open so you rip it to shreds trying to pull apart."*



3. Brand owners should carefully consider their design and messaging

Focus group panelists provided a range of feedback indicating they sometimes are confused, uninformed, unsure, or simply unaware of functional packaging features on the products they buy.

Brand owners and designers should thus consider the following when considering the use of flexible packaging.

Messaging considerations

- Clearly call out the presence of functional features on a package
- Promote the benefits of functional features, especially freshness and ease of use
- Provide instructions on how the packaging opening/closure works
- Communicate assurances regarding the security of seals on resealable packaging
- Look for opportunities to promote features to specific demographics; for example, easy-to-open packaging for children or seniors

Design considerations

- Give consumers opportunities to experience functional packaging benefits (e.g. see, at the point of sale, how easily a package opens/closes)
- Expand resealable options into product categories that have none
- Explore additional types of closures for flexible packages, along with easier grip/tear features
- Explore ways to give features tactile, auditory, and visual characteristics (e.g., a confirming sound — a snapping, a whoosh of air, a click — indicating the package is sealed)
- Explore ways to make products easy to store

The functional packaging phenomenon gives brands an opportunity to differentiate and add value with packaging. But simply integrating this technology into packaging leaves opportunity on the table.

To maximize their use of functional packaging, brand owners and designers need to be thoughtful about design and messaging. This starts with having a clear understanding of the consumer's point of view, both at the point of sale and use.

Conclusion

Consumers are busier than ever, and often find shopping to be a time consuming and stressful experience. This research shows that they appreciate the ease, convenience, integrity, and lifestyle-compatibility delivered by functional packaging. They want to focus on things that really matter — family, work, and other commitments — and not have to fuss with the things they buy regularly. They also seem willing to pay a reasonable premium for what functional packaging offers.

All this represents an opportunity for brand owners and the packaging converters who work with them. However, it's an opportunity that should be approached thoughtfully and carefully, with empathy and design thinking that solves consumers' real-life challenges.

Our business development and technical team is available to help you tap this opportunity.

To learn more, contact your Avery Dennison representative, or visit label.averydennison.com/functionalpackaging.

