



CONSUMER MEGATRENDS AND PACKAGING IMPLICATIONS:

How companies can ride consumers' coattails

EXECUTIVE SUMMARY

Consumer motivations change over time. Values, attitudes, and behaviors all come together into trends that impact the marketplace. This paper identifies nine megatrends that have been in place for a number of years and will likely continue to be relevant for years to come. Packaging can play an important role in how companies take advantage of these trends.

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INTRODUCTION

Successful product development, marketing, and selling starts with the consumer. What do they want? What do they need? What are their motivations? What are their aspirations?

Across the consumer base, these dynamics can be manifested in trends. Companies that spot and respond to trends improve their odds of success in the marketplace. The better that a product or service aligns with one or more trends, the better chance it has to gain traction and win share.

Packaging is one key tool that helps companies connect with these trends.

APPROACH

We have identified nine “megatrends” that are prevalent among consumers today. These trends are influenced by shifts within a number of factors:

- Values: deeply held and enduring beliefs about what is important in life
- Attitudes: what people think about specific situations
- Behaviors: how people spend their time and money
- Lifestyles: patterns of everyday activities

We identified these trends and their implications on packaging via a robust, three-step process. First, a review of published material on trends and emerging consumer dynamics. Second, an examination of what we see with the customers and suppliers we touch every day. And third, a period of digestion and refinement, where we vetted our hypotheses and determined the packaging implications.

There is a lot of art to trend-watching. Not all experts agree as to what the trends are or what they mean. Not all trends apply to all consumers. Indeed, there are trends that may seem contrary to one another (like one trend around cocooning and another around connectivity). The marketplace is made up of many individuals, so the landscape is complex. And not all trends are as relevant to all companies or industries.

But a healthy review of megatrends and what they mean is a useful step in any company's strategy.

NINE MEGATRENDS

The megatrends influencing consumers today are:

1. Comfort
2. Convenience
3. Scrimp and Splurge
4. Richer and Bolder Experiences
5. Personalization
6. Health and Wellness
7. Rise of Boomers
8. Connectivity
9. Community and Membership

See the following page for detail on the trends, the key indicators and drivers, and the implications the trends have on packaging.

CONSUMER MEGATRENDS AND PACKAGING IMPLICATIONS

Megatrend	Descriptors and Key Elements	Packaging Implications (how packaging can help you take advantage)
Comfort	Nostalgia, authenticity, trust, safety, cocooning, simplification	Glass, canning jars, apothecary feel, s tamper-evident packaging, decline of s
Convenience	Time pressure, on-the-go, multitasking	Single serve, reseal-ability, all-in-one, dose-control dispensing
Scrimp and Splurge	Trade-up on some items (luxury, premium) while seeking discounts on others (private label, Dollar store, Sam's Club)	Club pack and bulk packaging, ergonom deco and shelf appeal, small "splurge-
Richer and Bolder Experiences	Touch and smell sensory, energy and mood alteration, hedonism, experimentation, novelty, rethinking the mundane	Dosing caps, textural containers (e.g., centuators (scratch & sniff, scent-infus packs (temperature, sunlight, pH), grac "unwrap" as an experience, trial sizes
Personalization	Made-to-order, niche, self-reliance, time alone	Affordable single-serve size, smaller b your-own labels
Health and Wellness	Freshness, natural, additive-free, local, fitness, stress relief	Portability, sport-closures, dosing caps feel, "farmer's market"
Rise of Boomers	Aging population, expanding life expectancy, desire to stay inde- pendent	Ergonomic, broad-ribbed closures, eas design
Connectivity	Digital lifestyle, limitless information, pocket computers, global village	Info-rich/scannable bar codes, labels l for online shopping (virtual shelf)
Community and Mem- bership	Brands that mirror what's important to "me": sustainability, community, charity	Light-weight, biodegradable, close to r reuse and refill, label info on corporate

IMPLICATIONS

There are at least three takeaways for how companies can respond to these trends:

- Broaden the lenses used for innovation and ideas. Trends operate at many levels, across many kinds of consumers, in many locations. Cast a wide net to capture and examine what is happening with your consumers.
- Opportunistically jump on trends when consistent with company strategy and brand positioning. You can create positive buzz and momentum by aligning with where consumers are moving.
- Strategically, focus resources differentially on trends that can be monetized and reshape company strategy overall to mesh better with the trends.

Packaging can be an element in all three of these takeaways. Consider how packaging is used and is evolving with consumers around the world, and build an action plan for packaging for both near- and longer-term views.

SUMMARY

Nine megatrends are influencing consumers today. The relevance and exact implications of these trends will be different for every company, and there may be additional trends at play as well. But every company should pause to review these nine trends. Packaging can play an important role in helping you align with these megatrends.

As it relates to your product, your package, your pricing, your promotion, and your distribution channels – how well are you embracing the trends? How well does each function in your company acknowledge and capitalize on these trends – product development, package development, marketing, sales, supply chain, finance, human resources...? What are the seeds of the next trend that you can uncover before your competition?

ABOUT BERLIN PACKAGING

Berlin Packaging is North America's premier Hybrid Packaging Supplier of plastic, glass and metal containers and closures. With over 33,000 available SKUs, over 100 packaging consultants, and more than 80 sales and warehouse locations across North America, the company has the right products, expertise, and geographic proximity to help customers increase their net income through packaging products and services. Berlin Packaging supplies billions of containers and closures annually as well as warehousing and logistics services for customers of all sizes in all industries. It is the only company in its sector to be ISO 9001 certified, to have Customs-Trade Partnership Against Terrorism (C-TPAT) certification, and to achieve 99% on-time delivery of its shipments every month for over six years. Related services include Studio One Eleven, a full-service custom packaging and graphic design division; Berlin Global Packaging Group, a global sourcing solutions provider including custom packaging, order and quality management, and logistics; E3, a consulting division that helps customers unlock profit; Berlin Financial Services, which provides financing for equipment and capital improvements; Dangerous Goods, offering safe, economical, UN-certified packaging solutions for shipping dangerous and temperature-sensitive goods; Freund Container & Supply, a need-it-now packaging and industrial supplies provider with no minimum order requirements; and Qorpak, a global supplier of laboratory packaging and supplies. The company can be reached at 1-800-2-BERLIN, BerlinPackaging.com, and on LinkedIn and Twitter.