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Thinking Outside the Bottle

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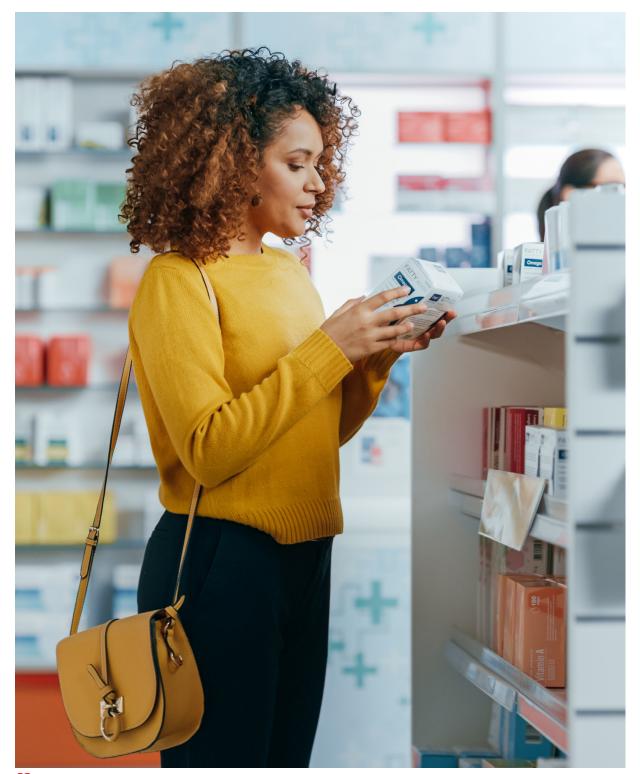
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Secondary Packaging Trends and Considerations

PACKAGING



Introduction

First impressions can make or break a brand, and impulse decisions account for one-third of purchases. Secondary packaging is often the first interaction consumers have with a product, but it can be overlooked and under-valued by companies. There is a lot more to secondary packaging than paper cartons. It can take many forms and use many materials, including flexible pouches, paper tubes, rigid boxes, shrink sleeves, and carrier packs.

Effective and innovative secondary packaging can improve shelf impact, create unique and memorable user experiences, elevate brand perception, and add value. Is it time to give your secondary packaging a second look?

Here are some trends and considerations for secondary packaging development.

*The brands mentioned in this report are trademarks of their respective owners. Inclusion of these brands in this report is not meant to imply an association with or endorsement from the respective trademark owners.

Create a Unique Brand Experience

Consumers are looking for more personalized and immersive experiences and are "willing to pay more for products that satisfy them on a more experiential level" according to GlobalData. Packaging is a powerful tool for creating unique and engaging brand experiences. The unboxing process has become increasingly important, especially among younger consumers and social media influencers who post videos opening their packages. The #tiktokmademebuyit hashtag received 15 billion views, demonstrating the power of experience and discovery.

Secondary packaging can create enticing and memorable engagement that drives trial and promotes brand loyalty. Consider how the package opens – does it create a sense of excitement and anticipation? How is the product displayed – does it feel special and unique? Do the materials and finishes elevate the experience? How can you add an element of surprise and create delight? <u>Berlin Packaging | Jansy</u> developed packaging for the Shoppers Drug Mart 25 Days of Beauty Surprises. The secondary carton includes LED lights to showcase a faux fireplace that lights up when the consumer opens the case, creating a delightful surprise.



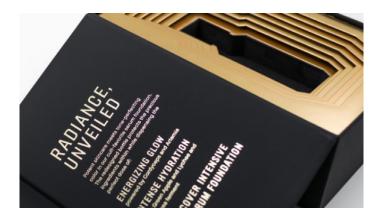












Reflect a Premium Positioning

Even amidst economic challenges, consumers consider some premium products – like alcoholic beverages and beauty care products - little luxuries that provide a sense of escape and relaxation. Better quality and more sophisticated products can help reduce anxiety and promote self-care. Secondary packaging plays a critical role in creating a premium perception of a brand. Unexpected and luxe materials like wood and leather can elevate a product and differentiate from the competition. **Special touches like interior printing, tactile elements, and unique handles and closures can leave a lasting impression.** And limited-edition offerings, exclusive packs, and collectible keepsakes can create a sense of prestige and specialness.

Berlin Packaging | Studio One Eleven created custom packaging for the <u>Bootleg Series</u> by Heaven's Door, a line of limited-edition, super-premium whiskeys named after Bob Dylan's famous album collection. Inspired by Dylan's journals filled with his artwork, sketches, music, and writings, the design team created a leather journal to showcase the Bootleg Series' unique whiskeys. The case opens to reveal a ceramic bottle decorated with one of Bob Dylan's original paintings. Each year's journal and bottle have their own unique custom design, allowing collectors to celebrate anew the creativity and craftsmanship of both Bob Dylan and The Bootleg Series.

Promote Sustainability

Today's consumers prioritize sustainability, and demand for eco-friendly packaging is as high as ever. According to NielsenIQ, 92% of consumers say sustainability is important when choosing a brand today. Secondary packaging can play a significant role in demonstrating a company's commitment to sustainability. Incorporating recycled or recyclable materials - like post-consumer recycled plastic, Forestry Stewardship Council (FSC) paperboard, and molded paper and fiber trays - reduces packaging waste and improves circularity. Using packaging made from renewable sources, including bio-plastics, bamboo, and corn-based plastics, can help reduce carbon footprint. Right-sizing and light-weighting can drive packaging efficiencies and further reduce carbon footprint. And environmentally friendly label materials and inks can also make a difference.

Berlin Packaging developed a custom design for <u>Zoll LifeVest</u> with a packaging insert made from 100% post-industrial resin pulp, eliminating the use of polyurethane foam. Berlin's lifecycle analysis demonstrates that the new eco-friendlier package reduces greenhouse gas emissions by up to 30%, cuts fossil fuel use by up to 40%, and reduces water use by upwards of 70% (based on 140,000 units per year, as compared to the original product).



Insert card printed on seed paper





Box made with water-based glue and FSC paper













Interact with Consumers

Secondary packaging provides opportunities to create interactive experiences for consumers through digital tools. A recent GlobalData study found that 42% of global consumers are always or often influenced by how digitally advanced or 'smart' the product or service is (up from 35% in 2021). Younger consumers are especially interested, with one in four Gen Z and Millennials saying that interactive packaging is a key purchase driver. With information at their fingertips, consumers can better scrutinize products and brands before making purchasing decisions. Informative and interactive design provides reassurance, instills confidence, and encourages trial.

Secondary packaging with smart features like QR codes and near-field communication (NFC) technology can redirect shoppers to a brand's website to view product tutorials, browse products, read reviews, discover ingredient information, learn about a company's social or environmental initiatives, and more. Brands can also incorporate interactivity through tech-enabled point-of-purchase displays. Berlin Packaging | Jansy provides innovative secondary packaging solutions and display systems.

We Believe Anything Is Possible[®]

With over 100 years in the packaging industry, more than 2,000 packaging professionals and a global network of suppliers and warehouses, we offer 50,000+ SKUs of plastic, glass, and metal containers, closures, and dispensing systems across all markets for customers just like you.

Our Business Model

Berlin Packaging combines the best elements of manufacturing, distribution and logistics, and value-added service providers to deliver cost-effective packaging solutions to our customers. Our mission is to improve our customers' net income through packaging products and services. We are the world's largest Hybrid Packaging Supplier[®].



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Our compelling suite of solutions addresses your needs and unlocks profit.

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- Inventory Management Services

Sustainable Packaging Solutions

- Quality Service Management
- Global Sourcing & Services
- Berlin Financial Services

