

GAME CHANGERS



C O N S U M E R P E R C E P T I O N S O N T H E F U T U R E O F P A C K A G I N G

T H I N K I N G G R E E N

TODAY'S SPEAKERS



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SOURCES



WHAT THE FUTURE

Quarterly Ipsos publication looking at the big trends in the largest consumer spending categories



GLOBAL ADVISOR

Ipsos global survey series conducted in 25+ countries via the Ipsos Online Panel



ONLINE COMMUNITY

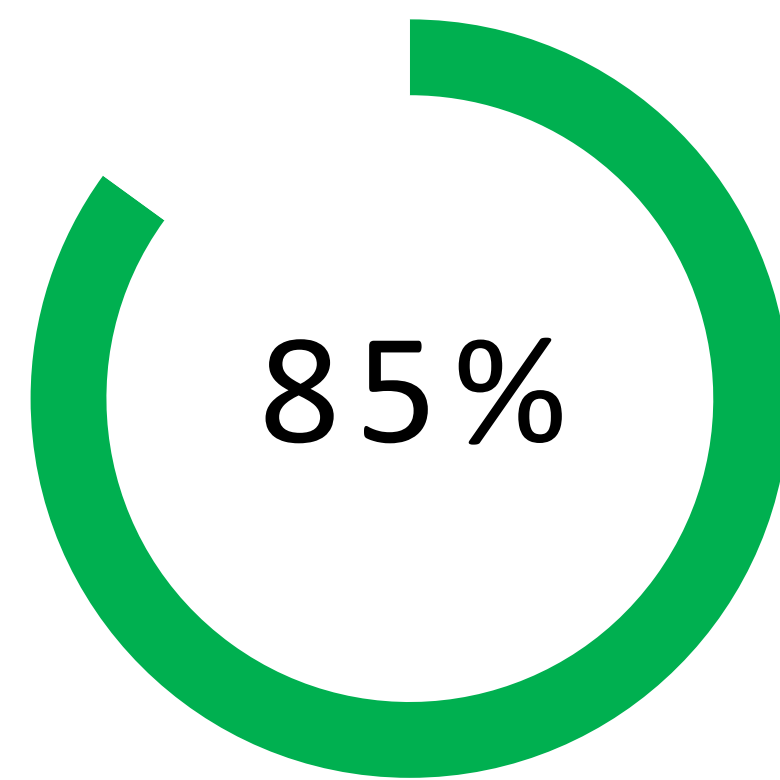
Syndicated Ipsos online community of US consumers age 18-65

WHAT THE FUTURE



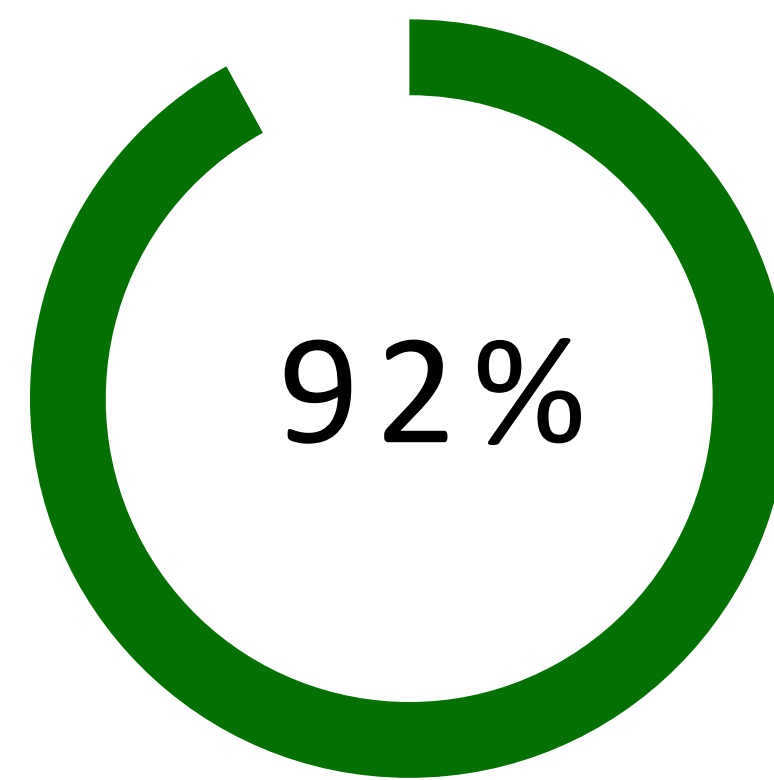
CONSUMERS CARE ABOUT THE ENVIRONMENT

Younger Americans, especially, but across the board we see high levels of concern.



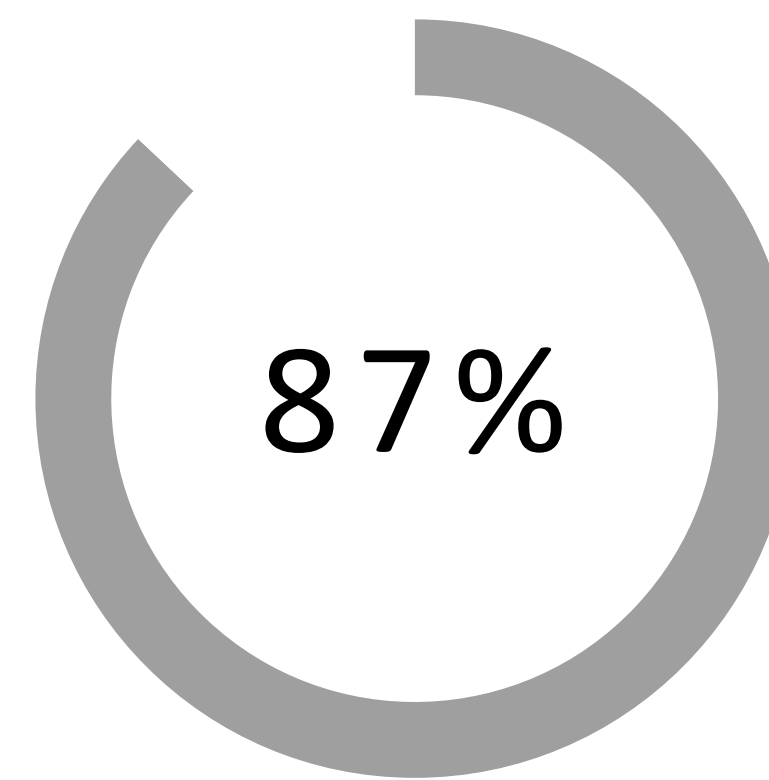
QSR TO STEP UP

I'd like to be able to recycle more packaging from fast food or delivery restaurants.



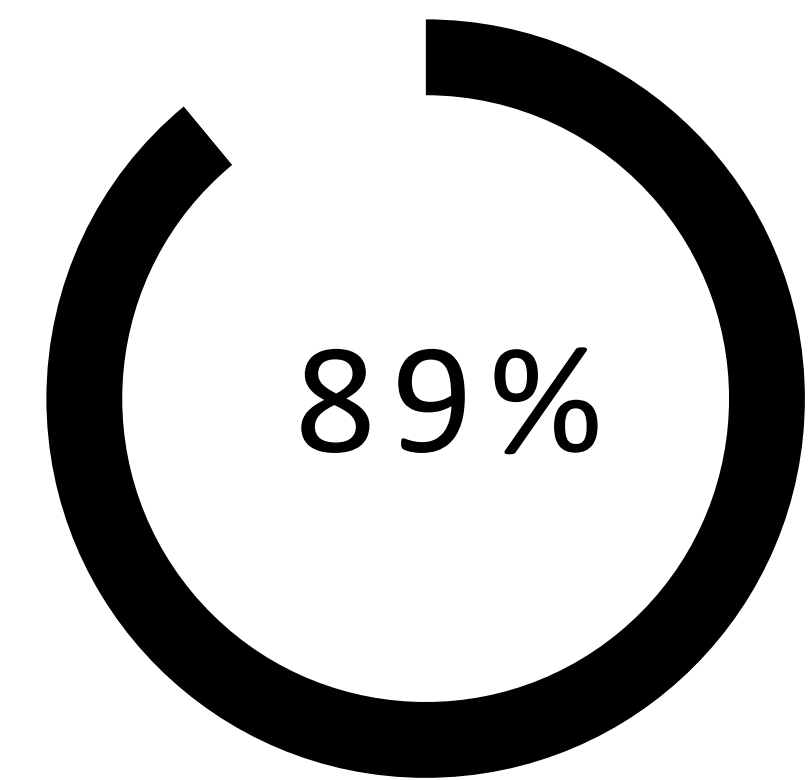
TO HELP AT HOME

It's important to recycle at home.



PACK TO *USE RECYCLED*

I'd like more food packaging to be made from recycled materials.



PACK TO *BE RECYCLED*

I'd like more food packaging to be made of recycled materials.

TODAY IT'S STRAWS. TOMORROW?

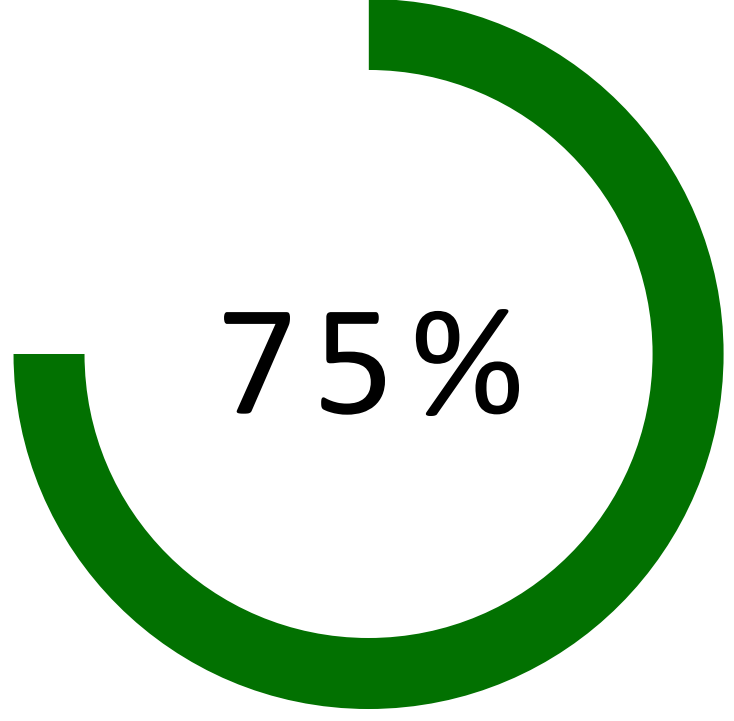
An Ipsos poll for BuzzFeed news showed that there is wide-spread support for straw bans. What's next in the cross-hairs?



48%

LOCAL GOVERNMENT BANS

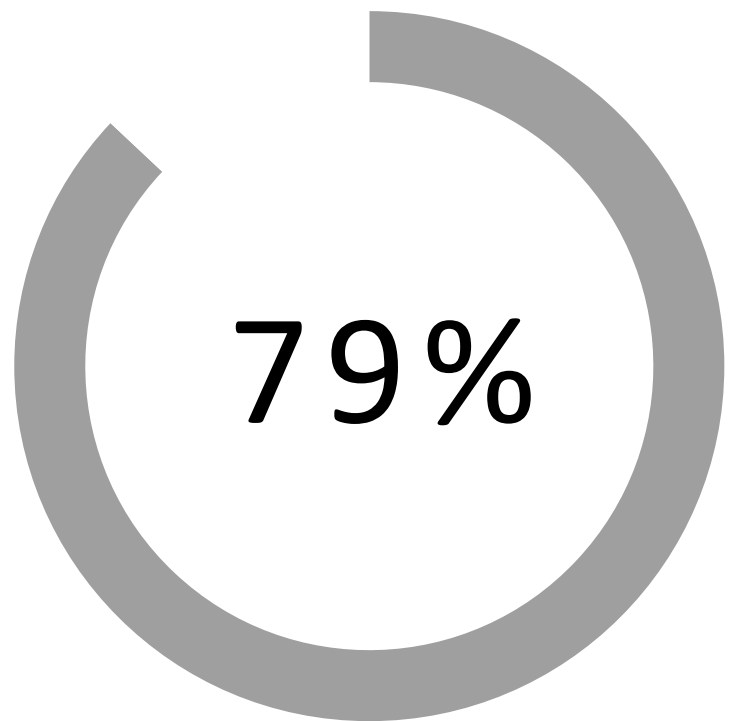
Local governments banning the use of plastic straws.



75%

ON-REQUEST ONLY

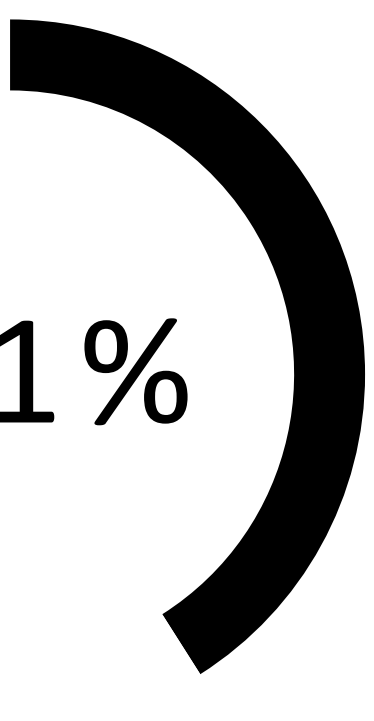
Businesses choosing only to provide plastic straws on request.



79%

BIODEGRADABLE ONLY

Businesses only choosing to provide biodegradable straws.



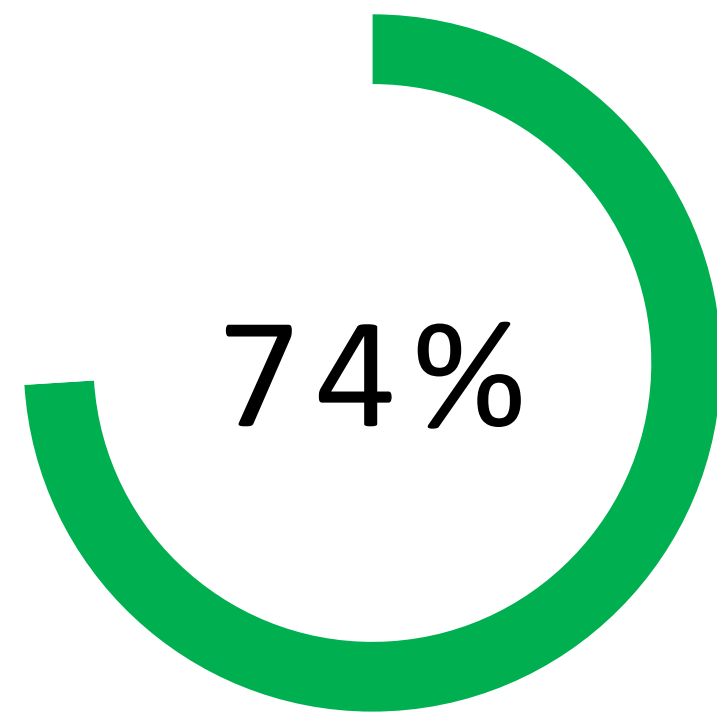
41%

ALREADY TAKING ACTION

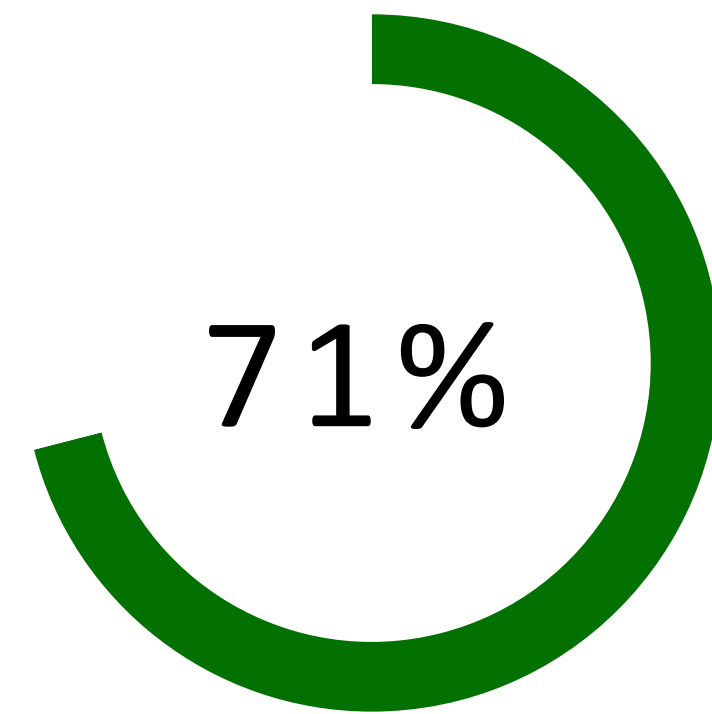
I have started using fewer plastic straws because of the recent attention to the issue.

ALL PACK CLAIMS ARE CREATED EQUAL

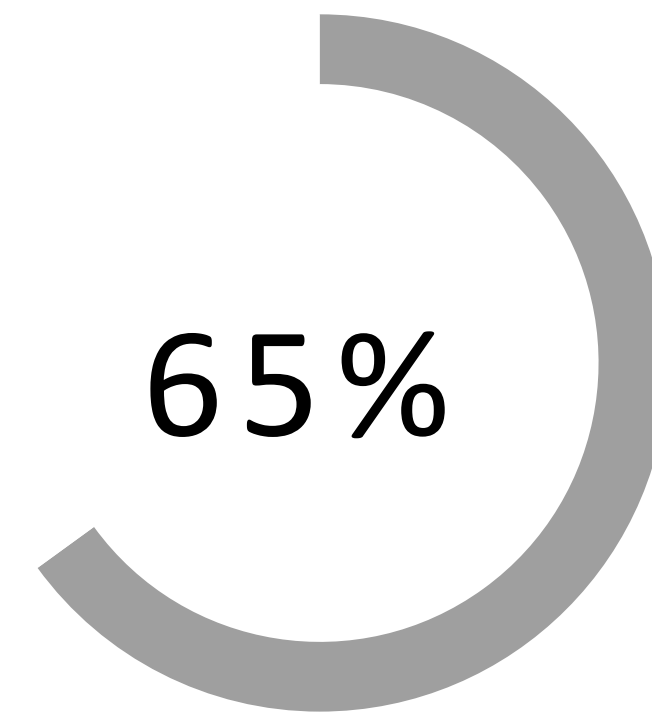
But should they be? Consumers see a wide range of claims as essentially equally trustworthy. Is it time for enforced definitions?



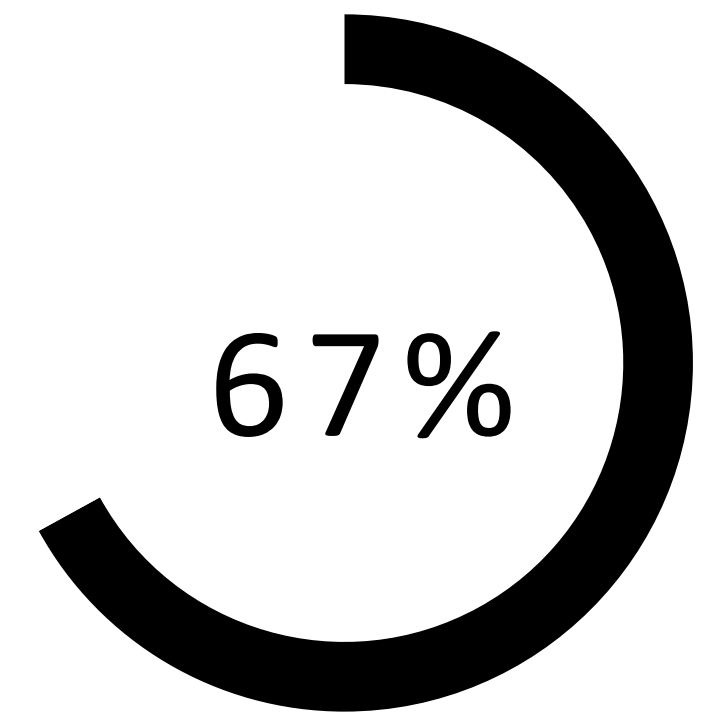
RECYCLABLE



ECO-FRIENDLY



GREEN



DEGRADABLE

RECYCLING AND REUSABLES ARE NOT NEW



IRAQ
3000 BCE



EGYPT
1500 BCE

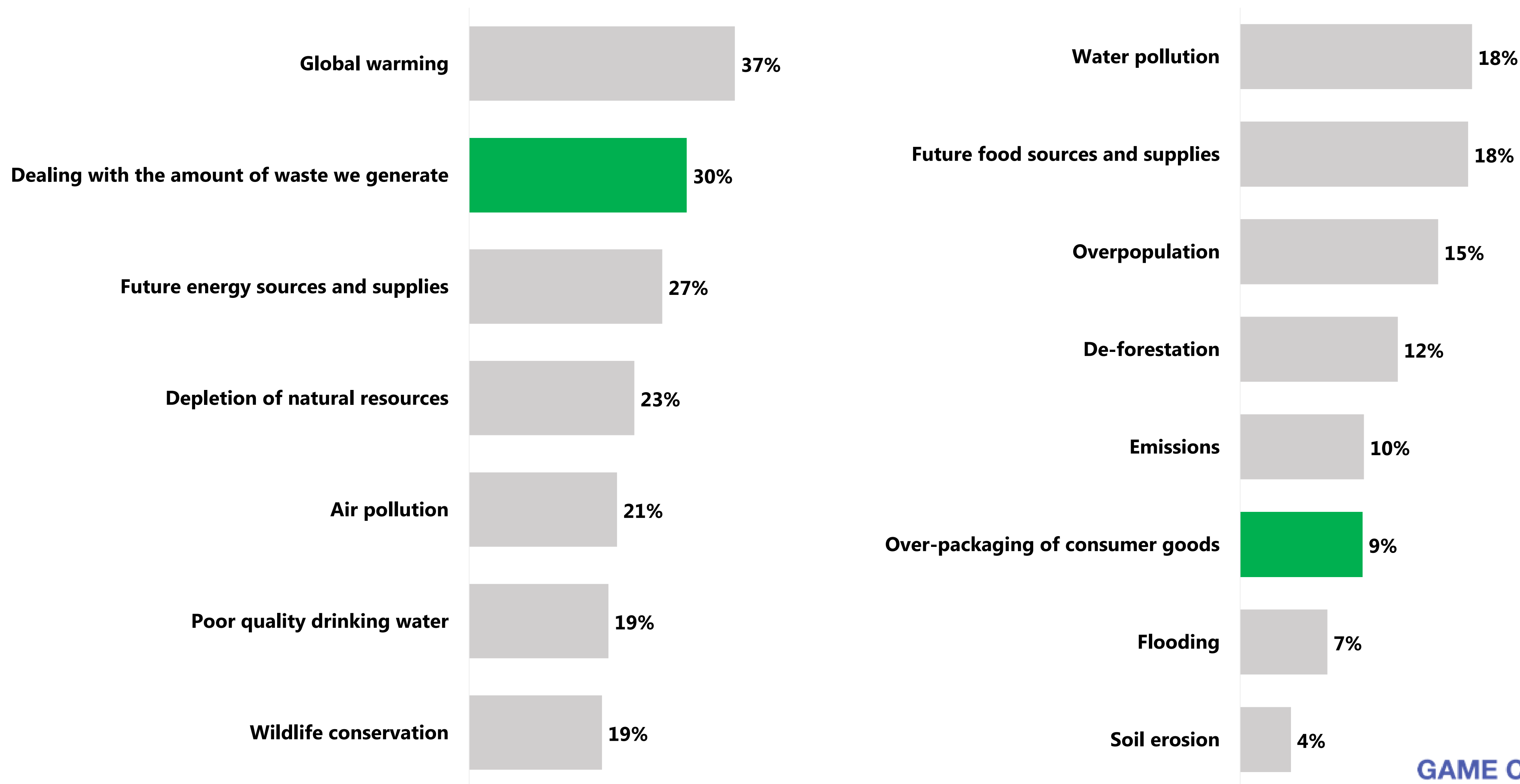


CHINA
100 BCE

P A C K ' S R O L E I N T H E M O D E R N E C O N O M Y

**TYPICALLY, THE
ENERGY USED TO
MAKE PACKAGING
IS 8% OF THE
TOTAL ENERGY
USED TO
PRODUCE AND
DELIVER ALL THE
PRODUCTS THAT
WE BUY.**

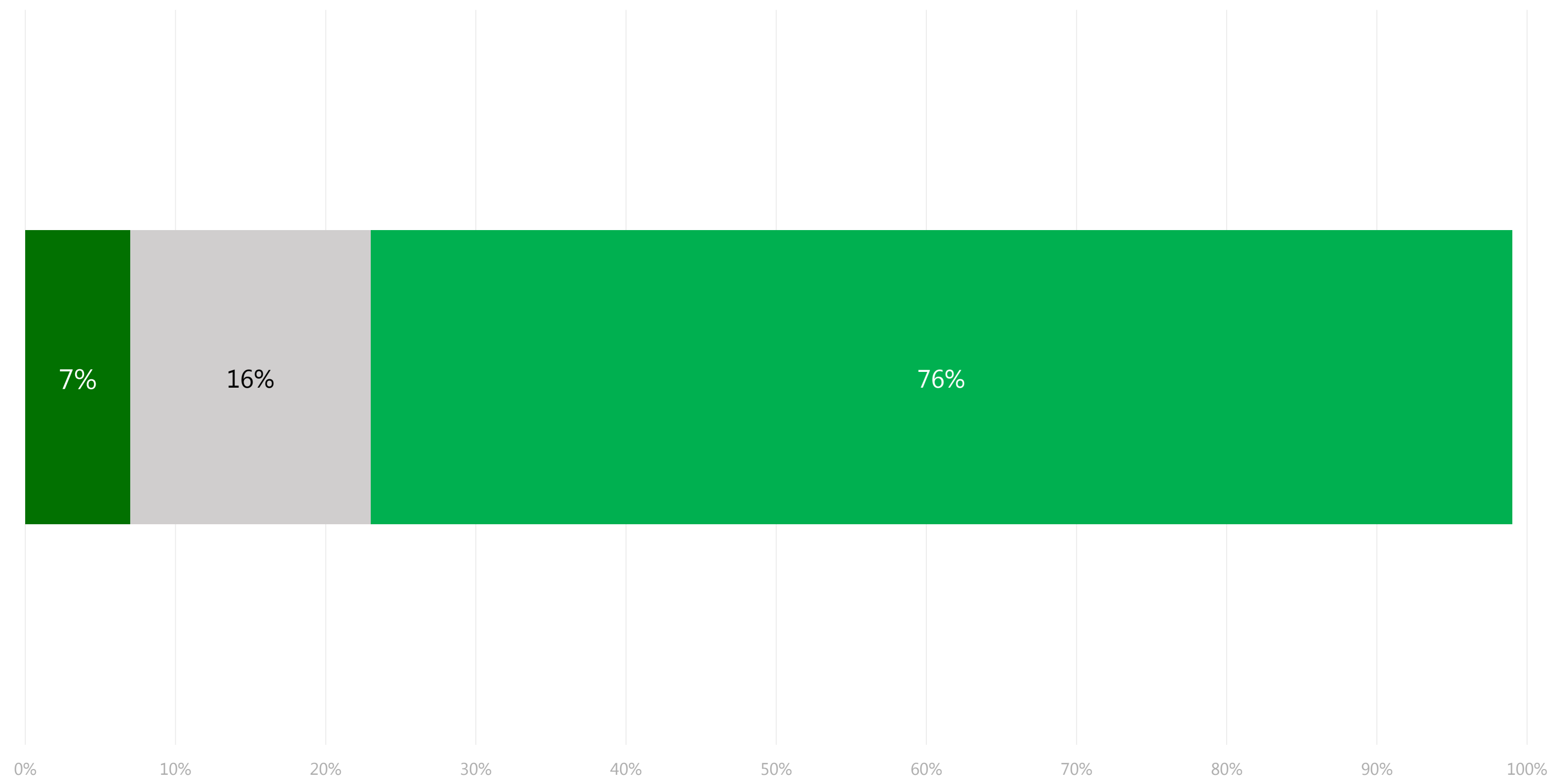
WASTE IS A KEY PUBLIC CONCERN



OPPORTUNITY
FOR BRANDS
TO DO BETTER

U.S. brands could do better regarding the environment...

■ Disagree ■ Not Sure ■ Agree



"I am trying to be more green as should companies..."



THE WORLD
WE LIVE IN
LOOKS
INCREASINGLY
LIKE THIS



RELEVANT INITIATIVES WHICH CAN IMPACT BOTH IMPLICITLY AND EXPLICITLY



Intuitive design increases correct recycling by 34%, with a big reduction in food contamination



Demonstrably better environmental outcomes versus substitutes



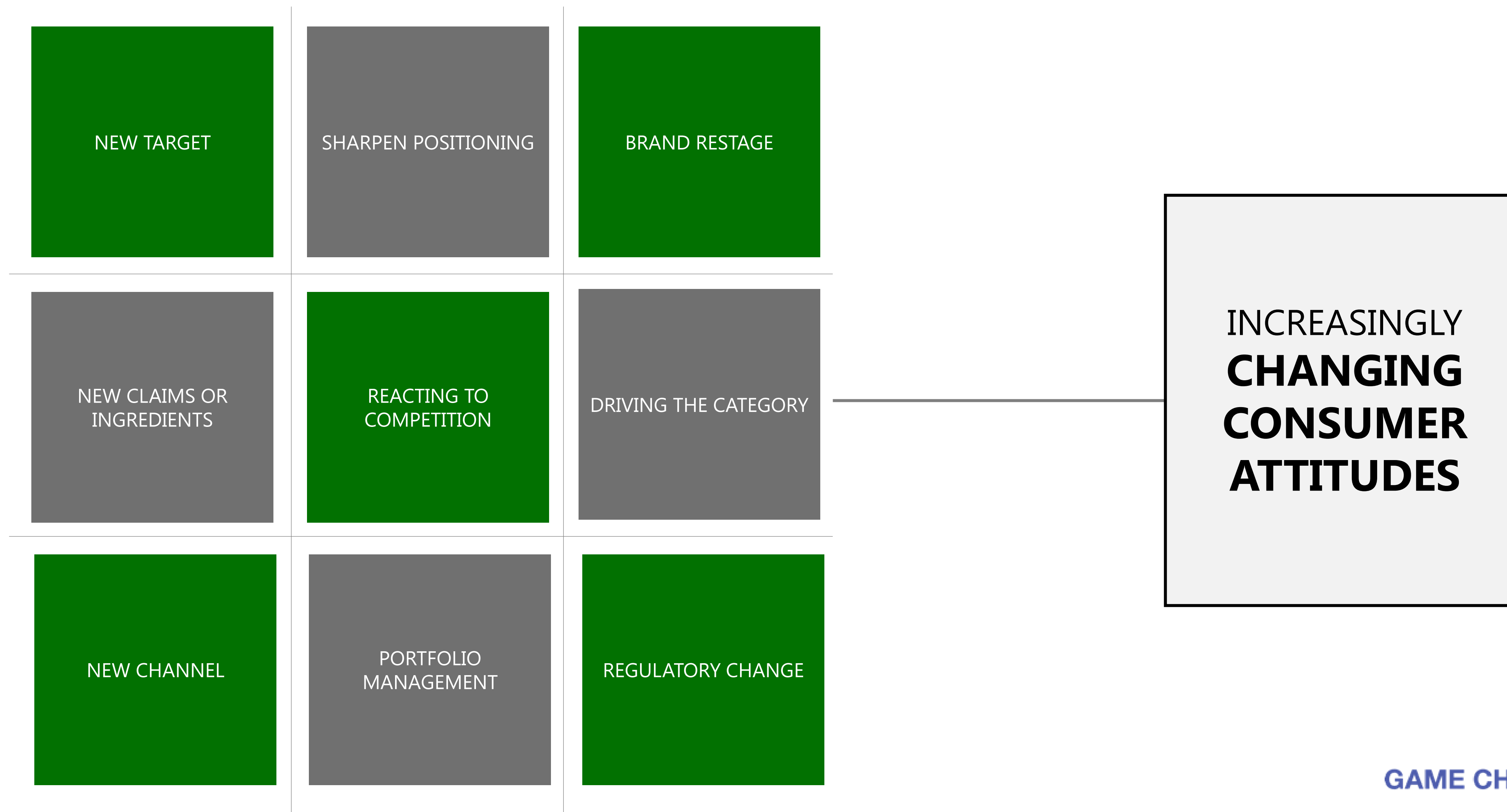
From 140 bags per person per year to 25



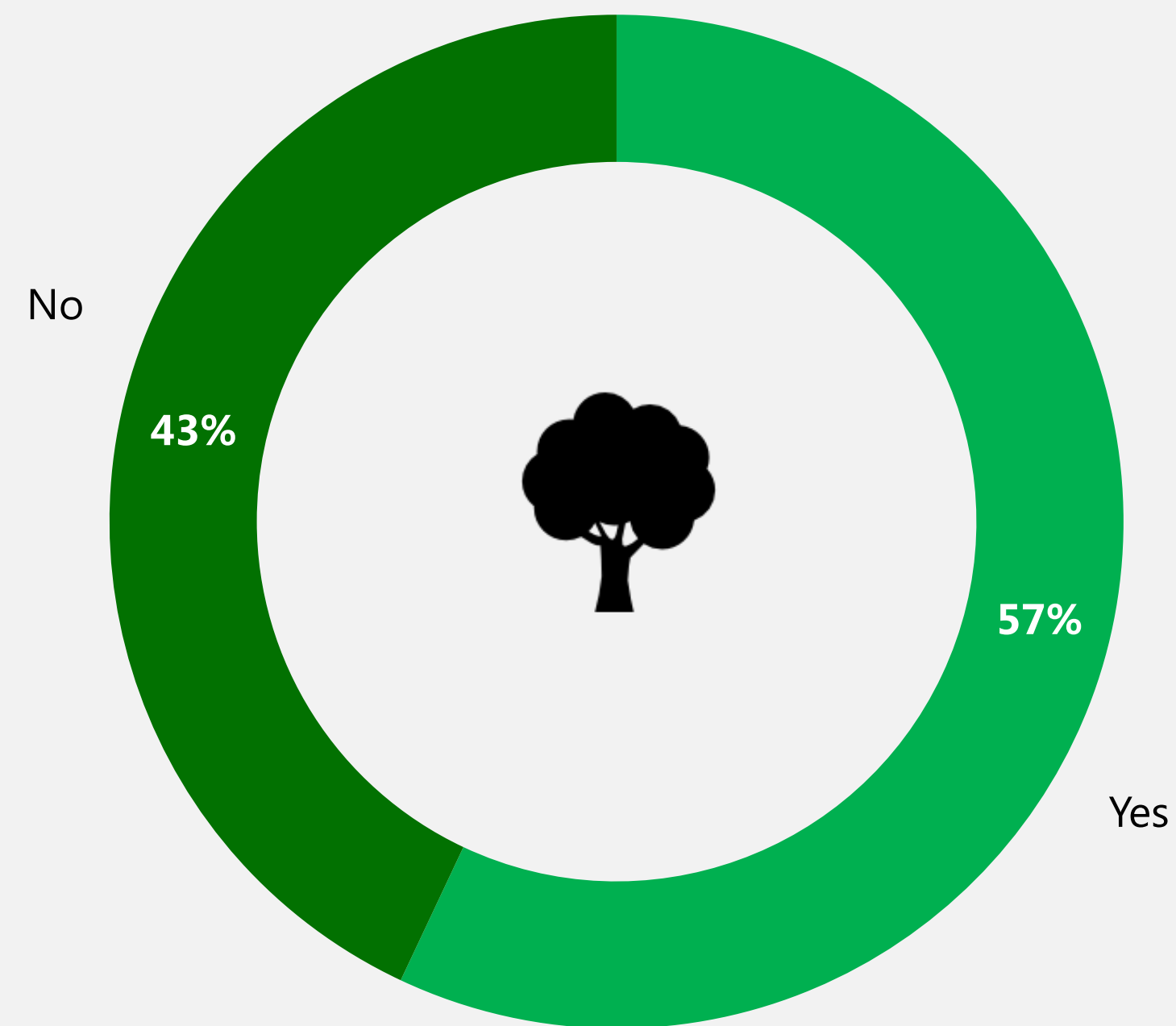
CONSUMERS ARE OPEN TO LEGISLATION

	Agree	Disagree
Legislation will force more brands to be responsible in their packaging choices	59%	16%
Legislation will increase prices brands extend to consumers	53%	17%
Legislation will help to slow environmental damage caused by brands	49%	23%
I am in favor of more legislation on brands regarding their sustainability	50%	23%
Legislation will hurt US brands' abilities to compete in the global market	32%	35%
Legislation will negatively impact the quality of products brands offer	29%	40%

WHY MANUFACTURERS CHANGE DESIGN



Have you ever chosen a product because you thought it was better for the environment compared to others?



**57% CLAIM TO HAVE
MADE A BRAND CHOICE
DRIVEN BY
SUSTAINABILITY**

And even higher among 18-34 (63%)
Younger consumers in general are more sensitive

HOWEVER, SKEPTICISM STILL EXISTS

When thinking about brands that are making switches to more sustainable packaging,
what do you feel are the top motivators for them?

Wanting to improve brand image	2.5
Listening to consumer demands for safer products	2.8
A desire to do good for the environment	3.0
Being forced to comply with government standards	3.2
Trying to increase earnings	3.5

Average ranking from 1 = what most motivates, 5 = what least motivates



EXAMPLE INITIATIVE: STARBUCKS



Starbucks Coffee ✓

@Starbucks

Follow



We're removing plastic straws in our stores globally by 2020—reducing more than 1 billion plastic straws per year from our stores.



New strawless lids to replace plastic straws

news.starbucks.com

Greener Cup



We're working to shrink our environmental footprint and meet the expectations of our customers by increasing recycling, promoting reusable cups and reducing the waste associated with our cups and other packaging.

GAME CHANGERS





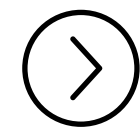
BIG UPSIDE WHEN BRANDS TAKE INITIATIVE

	Total	Age 18-34	Age 35 +
I felt much more favorably about the brand	20%	27%	16%
I felt slightly more favorably about the brand	18%	21%	16%
It did not change my impression of the brand	43%	36%	47%
I felt slightly less favorably about the brand	4%	5%	3%
I felt much less favorably about the brand	5%	3%	5%
I did not know about this announcement until now	11%	9%	12%

NET 40% OF 18-34
YEAR OLDS ARE
POSITIVE

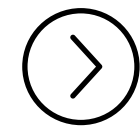


WHEN PEOPLE ARE MUCH MORE FAVORABLE...



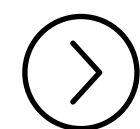
RIGHT THING

"Because I feel that we all should do the right thing for our environment. I understand that the plastic straws are getting into the ocean and perhaps then eaten by fish. Toxic for marine life and humans."



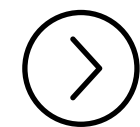
LOVE

"I love that a huge company like Starbucks would take that stand. Its one small area where they can lead the charge to show they are willing take action"



TRULY INSPIRING

"I feel like a company like Starbucks making a big impact like that is truly inspiring. They know they are a popular brand so hopefully it can be instrumental in other chains following that step as well."



BIG THING

"I think that's a very big thing for them to announce that they're going to quit using straws I mean their whole product line use straws so that's gonna be a huge change"





...BRANDS CAN GET A LOT OF CREDIT



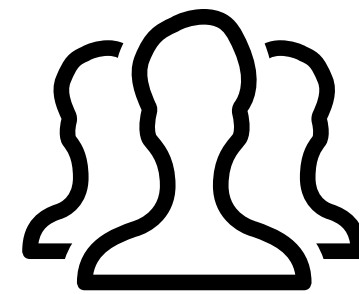
LEADERSHIP

"They're not waiting until they're being told to do it"

"They seem to be taking a stand and leading the way"

"Some companies have to set the way for others to follow"

"someone had to lead with the example"



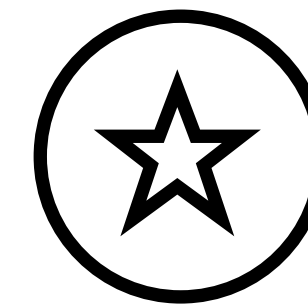
SOCIAL CONSCIENCE

"it showed me that they care about sustainability"

"Starbucks really cares about mother earth"

"A conscience for society!"

"They are thinking of the environment, not just bottom line."

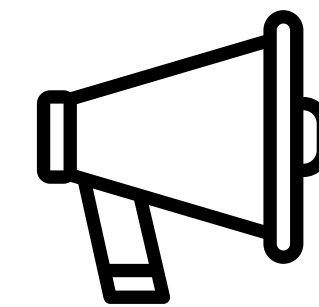


STEWARDSHIP

"They are doing their part"

"That is doing their part to end plastic pollution"

"Because it shows a commitment"

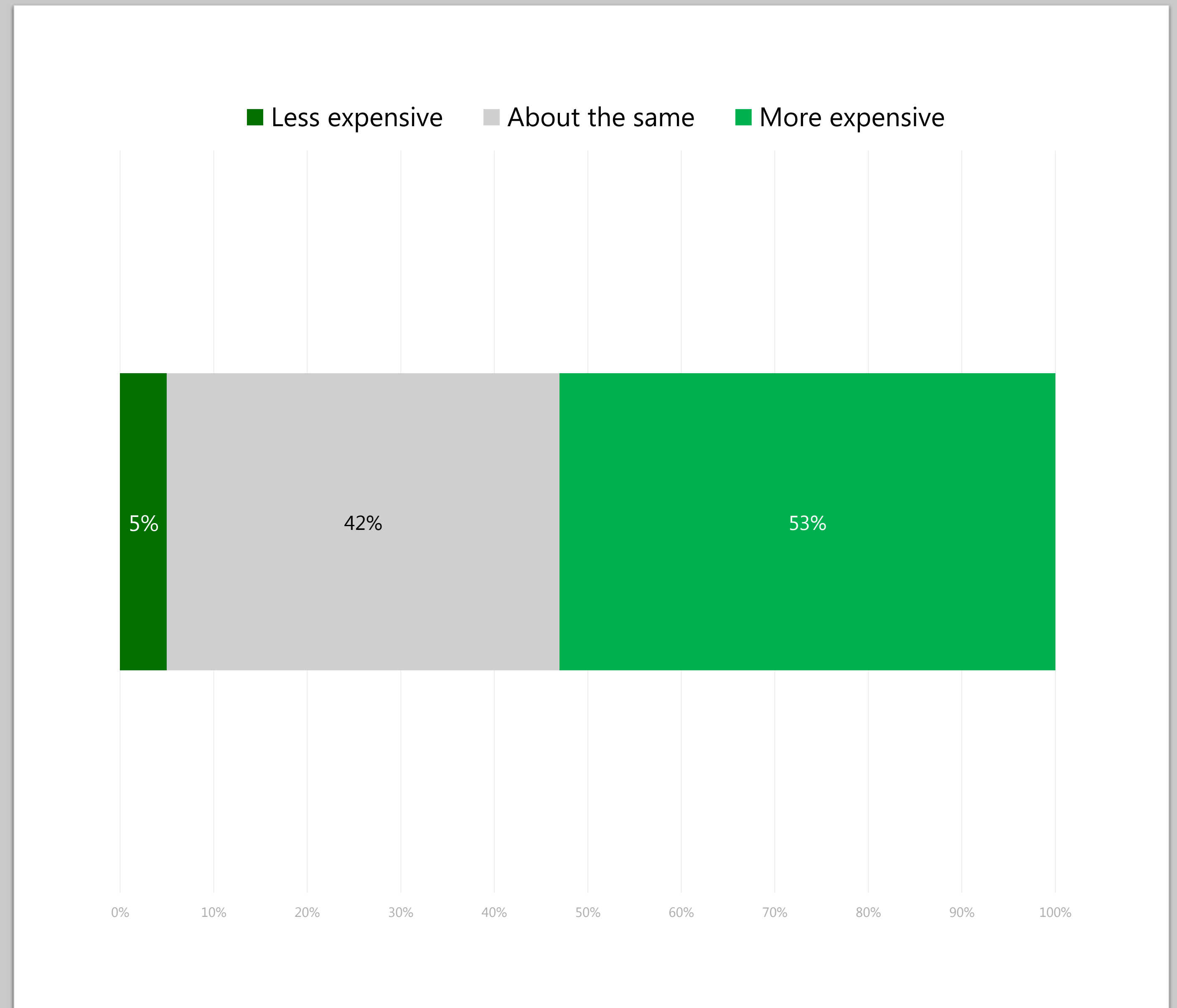


RAISING AWARENESS

"Straws weren't something I really thought about before, so I'm glad they brought up the issue to highlight a simple thing we can do to help the planet."

THERE IS AN EXPECTATION OF HIGHER COST

"How do you expect a product packaged with sustainable goods to compare to other options on the market in terms of price?"



BUT THIS CAN BE COUNTERED BY EXPECTATION OF HIGHER QUALITY AMONG 18-34

"And how do you expect a product packaged with sustainable goods to compare to other options on the market in terms of quality?"





RECYCLING

THE ABILITY TO RECYCLE IS A KEY FACTOR FOR CONSUMERS

25% of US Consumers would stop buying goods that have non-recyclable packaging.

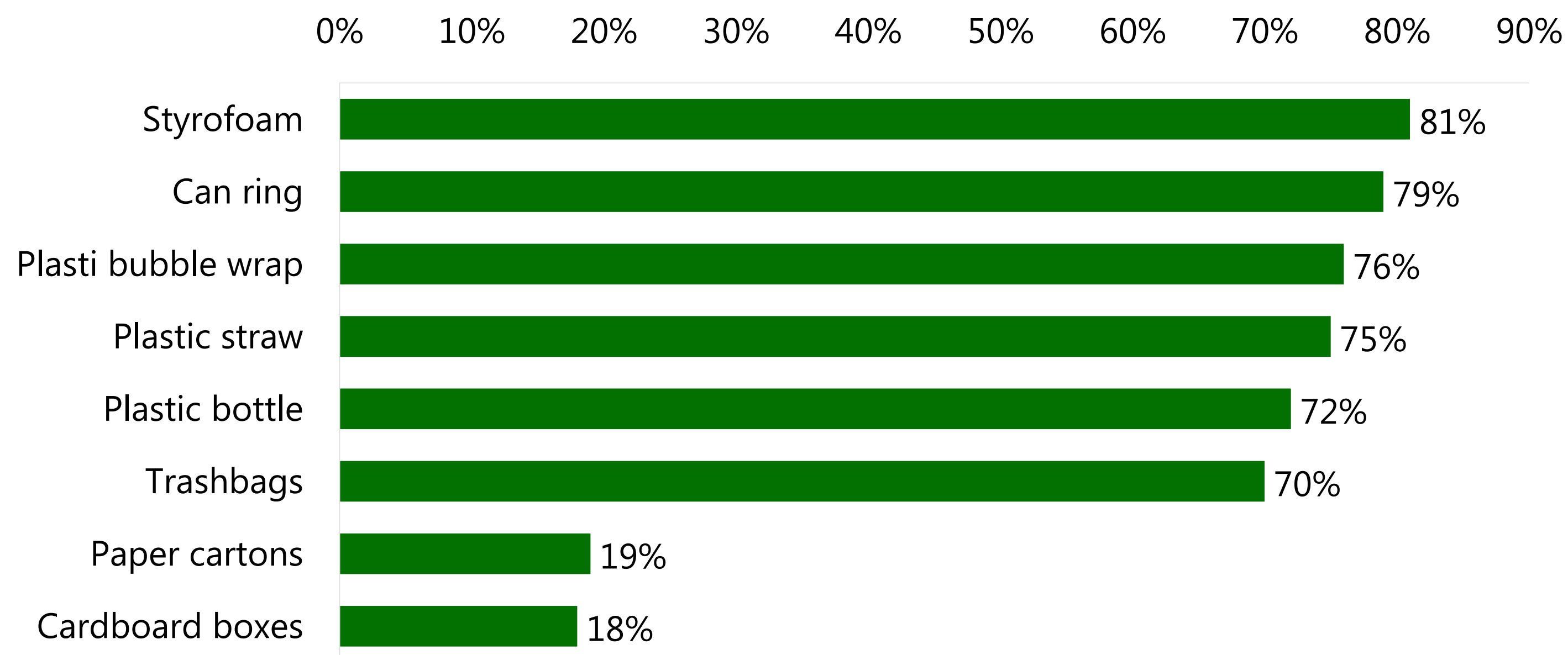
12% would stop going to shops that use a lot of non-recyclable packaging.

How do consumers define sustainable packaging?

Recycled	26%
Recyclable/Reusable	23%
Green	20%
Safe	10%
Biodegradable	6%

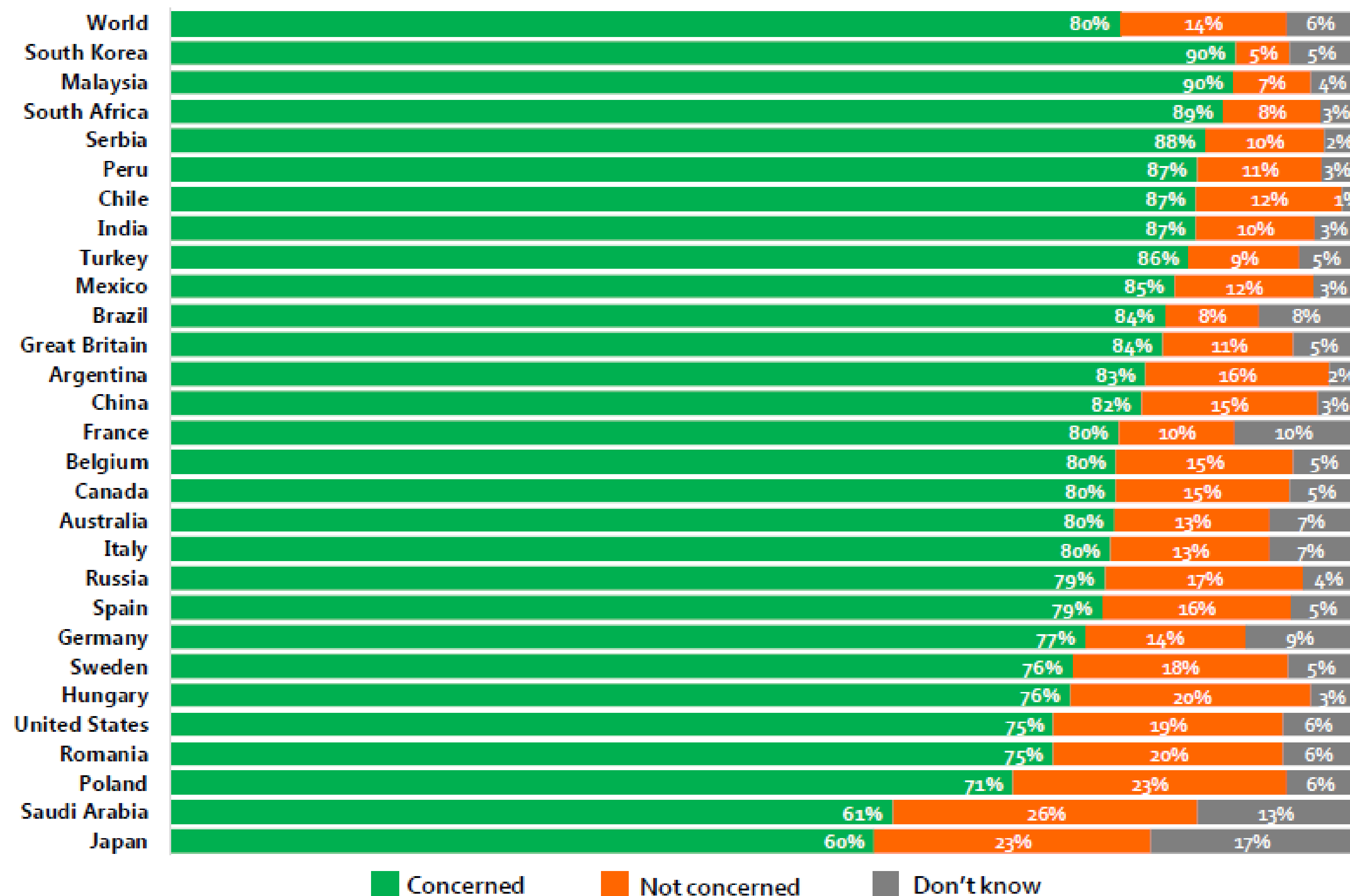
PEOPLE ARE KNOWLEDGEABLE WITH RESPECT TO MATERIAL IMPACT

MATERIALS
CONSIDERED BAD
OR VERY BAD FOR
THE ENVIRONMENT



AND CONCERNED ABOUT THE EFFECTS OF PLASTICS ON THE ENVIRONMENT

Q. Some people have recently been discussing the effects on the environment of plastic packaging, plastic bags, and other disposable objects which cannot be recycled. How concerned, if at all, would you say you are about this issue?



Base: 20,794 online adults aged 16-64 across 28 countries March 23 – April 6, 2018

Lower relative to other countries but still 75% concern





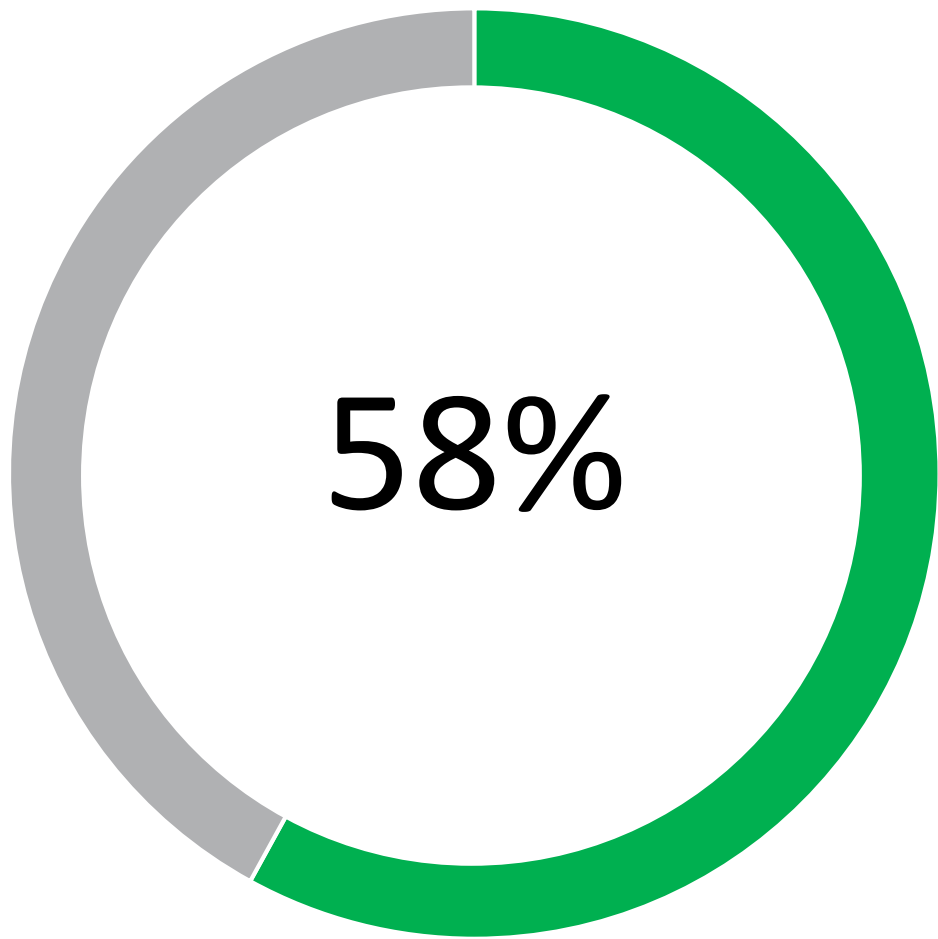
AGREE WE NEED TO BE MORE DILIGENT

Top 2 Box Agreement

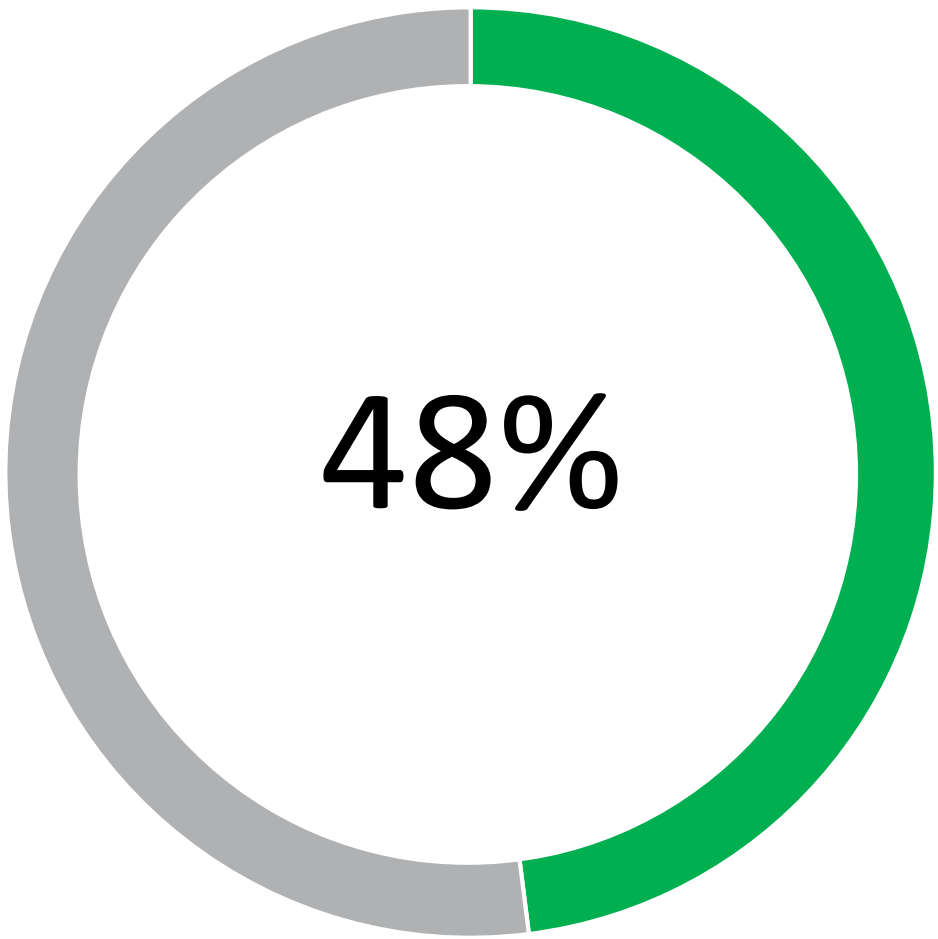
I feel we as a society need to be more diligent about recycling	72%
I feel communities need to better communicate recycling guidelines	70%
Recycling is something I take very seriously, I always aim to recycle as much as possible	66%

SOME CONFUSION ABOUT WHAT CAN BE RECYCLED

I believe everything I place in the recycling
bin is able to be recycled and repurposed



I only recycle the products I know for sure
can be recycled, and throw anything
questionable away



Nearly 2 out of 3 believe pizza boxes can be recycled

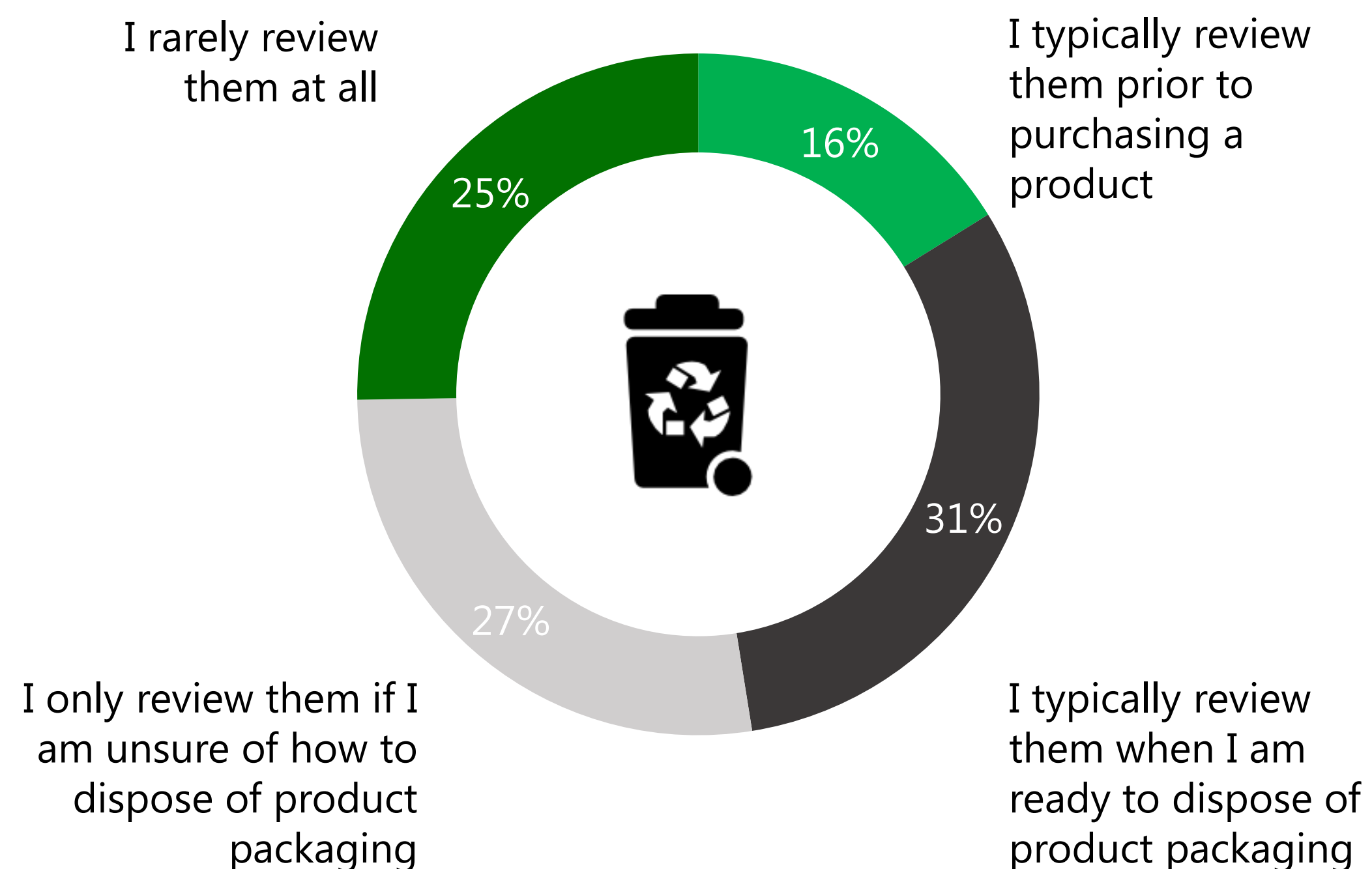
A: **Pizza boxes** are made from corrugated cardboard, however the cardboard becomes soiled with grease, cheese, and other foods once the **pizza** has been placed in the **box**. Once soiled, the paper cannot be **recycled** because the paper fibers will not be able to be separated from the oils during the pulping process.



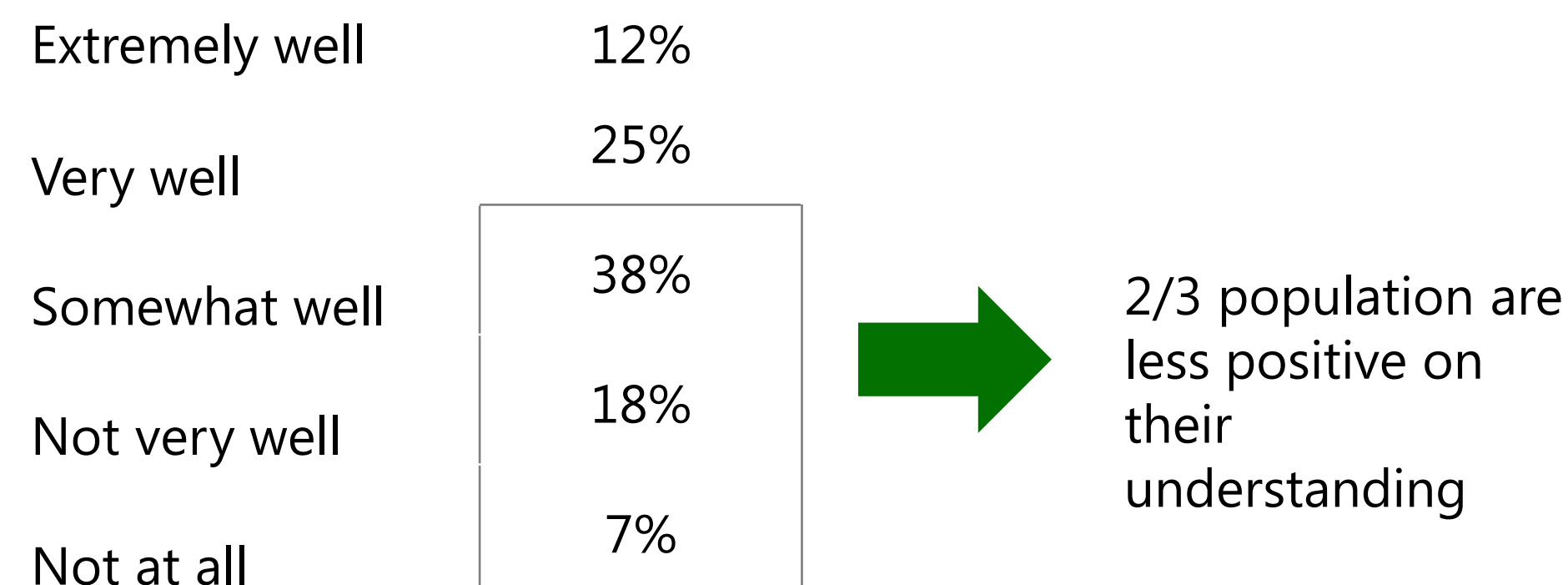
Frequently Asked Questions: Contamination | Land, Buildings & Real ...
<https://lbre.stanford.edu/...recycling/frequently.../frequently-asked-questions-contaminati...>

RECYCLING SYMBOLS ARE NOT ALWAYS REFERENCED OR WELL UNDERSTOOD

Let's consider the recycling symbols manufacturers add to their packaging. How do you interact with those on a regular basis?

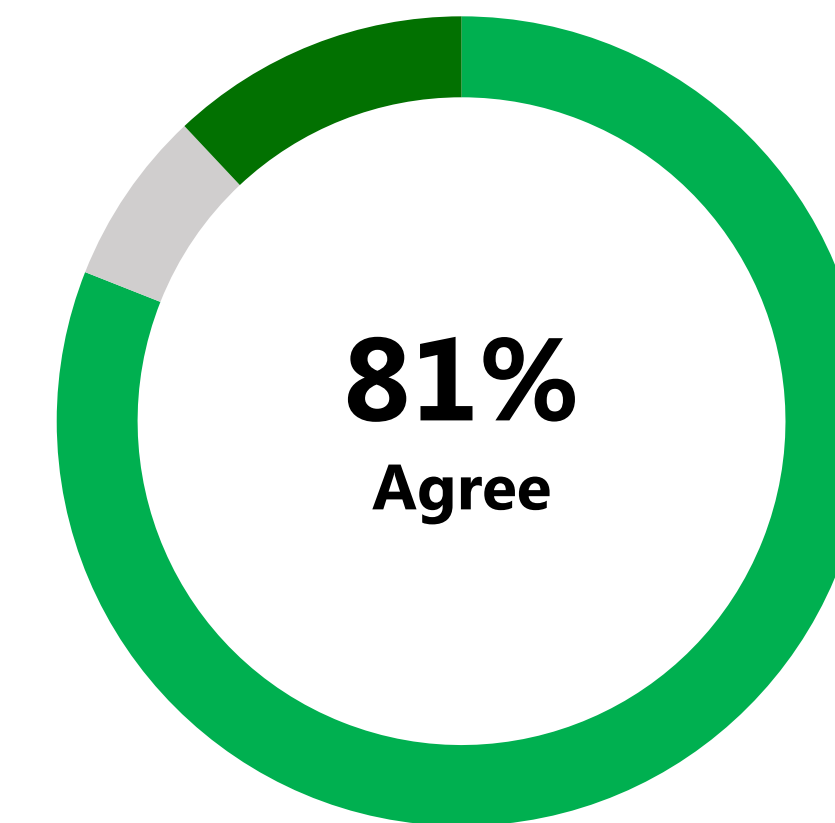


How well would you say you understand all the recycling symbols that manufacturers add to their packaging?



NEED FOR BRANDS TO ACTIVELY PROVIDE SUPPORT INITIATIVES

Do you think manufacturers should actively support recycling initiatives for products they sell?



■ Agree ■ Disagree ■ Not Sure

PACKAGING INNOVATION FOR SUSTAINABILITY



BRAND AND RETAILERS IN CIRCULAR ECONOMY



Bottle drop: Asia drinks giant F&N launches recycling vending machines in Singapore

16-Jan-2018 By Lester Wan

Beverage manufacturer Fraser and Neave (F&N) and NTUC FairPrice supermarkets in Singapore have launched a 'reverse vending machine' to boost environmentally-friendly consumer behaviour in the city state, where household recycling rates remain stubbornly low.

[HTTPS://WWW.FOODNAVIGATOR-ASIA.COM/ARTICLE/2018/01/16/BOTTLE-DROP-ASIA-DRINKS-GIANT-F-N-LAUNCHES-RECYCLING-VENDING-MACHINES-IN-SINGAPORE](https://www.foodnavigator-asia.com/article/2018/01/16/bottle-drop-asia-drinks-giant-f-n-launches-recycling-vending-machines-in-singapore) ➤



Germany

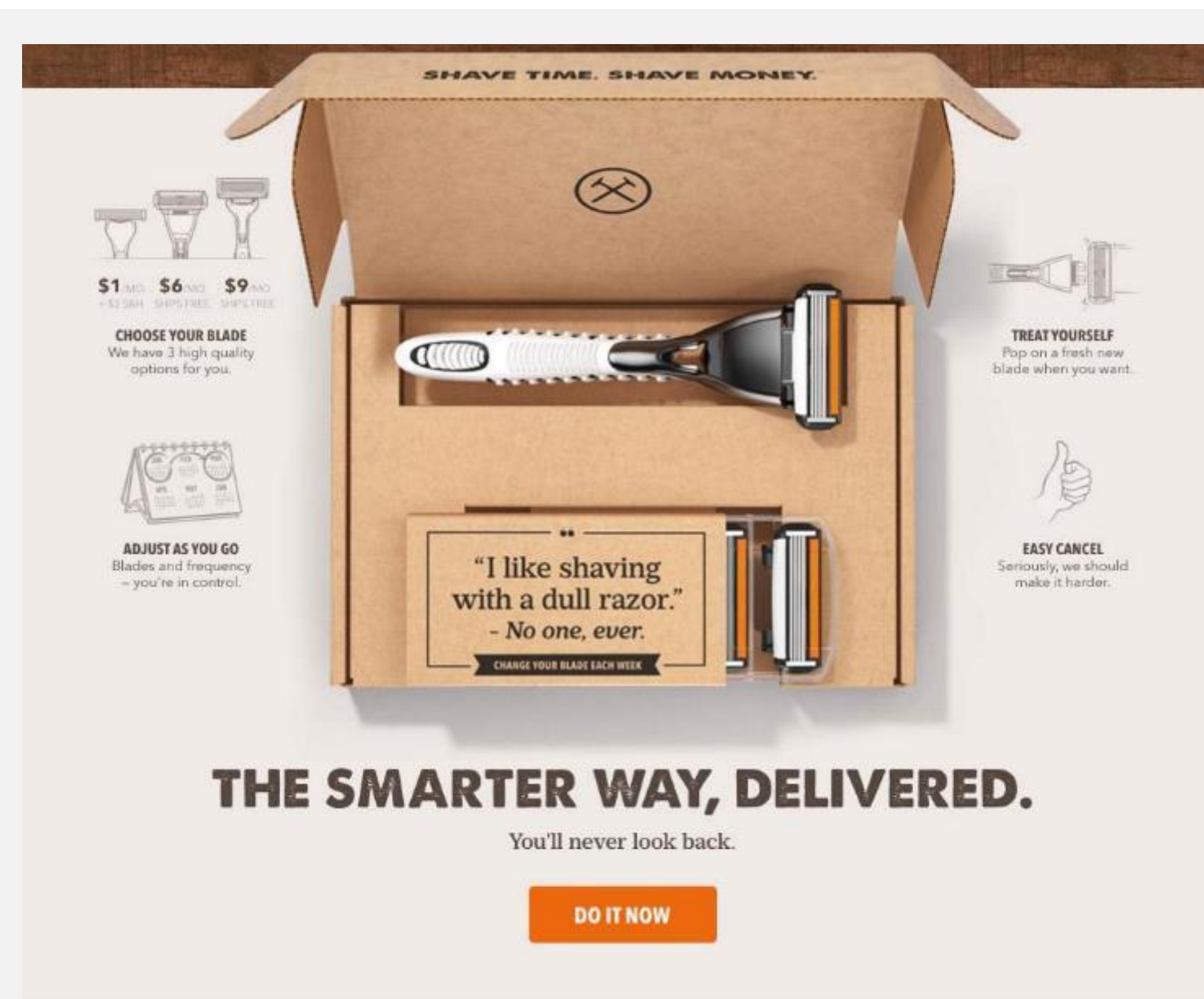


Norway



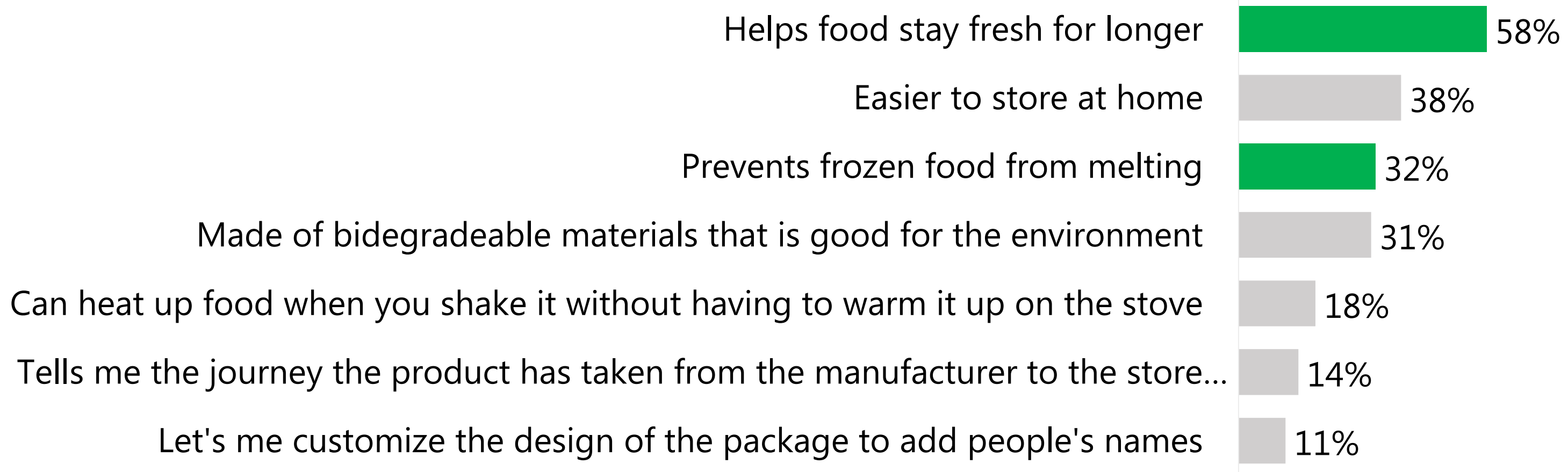
USA

BRAND AND RETAILER INITIATIVES: PACKAGING DESIGNED FOR E-COMMERCE FULFILLMENT

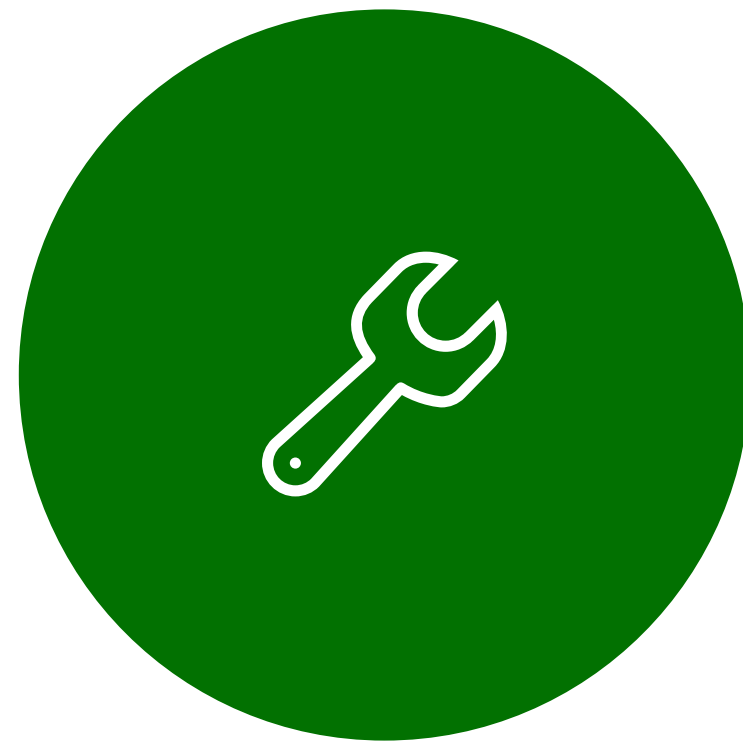


FUNCTIONALITY ADDRESSING KEY ISSUE OF WASTE RESONATES WITH CONSUMERS

What packaging is worth paying more for?



DEVELOPMENT OPPORTUNITIES



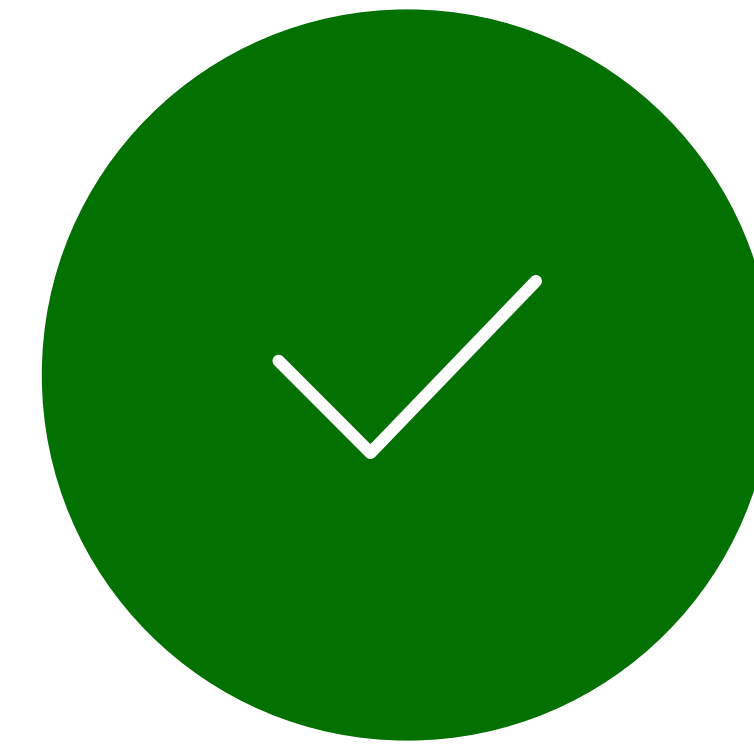
FUNCTIONALITY FOR BETTER OUTCOMES

Packaging which delivers an easily understood functional benefit e.g. food fresh for longer, in addition to a positive environmental association e.g. volume, ease of fulfilment, weight, material, will resonate with consumers.



BETTER COMMUNICATION

Consumers see a wide range of claims as essentially equally trustworthy. Is it time for enforced definitions and for more transparency in terms of actual expected recyclability. Can technology (e.g. QR codes, Augmented Reality) be used to engage interested consumers on pack's role in the full product lifecycle?



INCENTIVIZATION & TANGIBLE OUTCOMES

What's in it for the consumer? Positive outcomes are more likely when people are incentivized with systems that support behavior. Innovation which provides demonstrable change is the most compelling, providing the trigger between product characteristics and positive environmental outcome.

DEVELOPMENT MUST CONSIDER MULTIPLE PACKAGING “MOMENTS OF TRUTH”

Zero moment of truth

Memory saliency



Tangible features that drive associations

1st moment of truth

Stand out in store



Ability to stand out from the competitive set

2nd moment of truth

At home, on the go, in-use...



Physical characteristics which can drive repeat

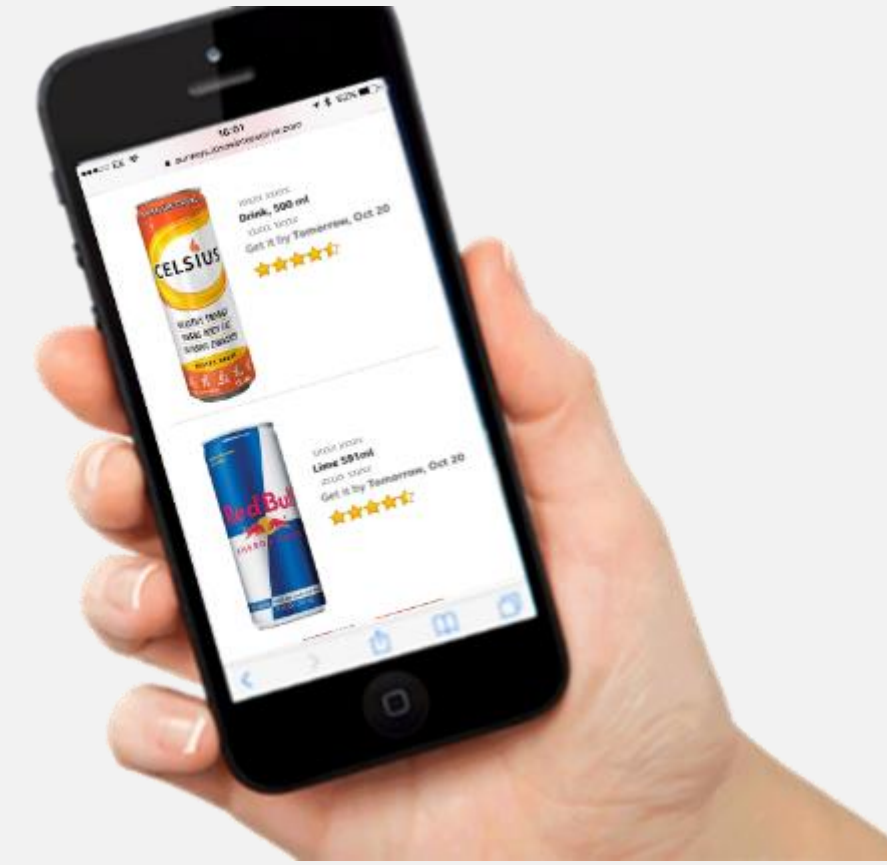
3rd moment of truth

Disposal and recycling



Pack's role in the brand's sustainability credentials

AUDIT, TEST, VALIDATE



Ipsos online 2D



Ipsos online 360



In person VR



Ipsos Shopper Labs



DISCOVER

Provides expert guidance
prior to development by
the U.S. BSci team

CREATE

Quant guidance with qual
granularity with 2-day
turnaround

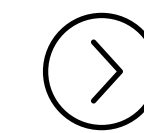
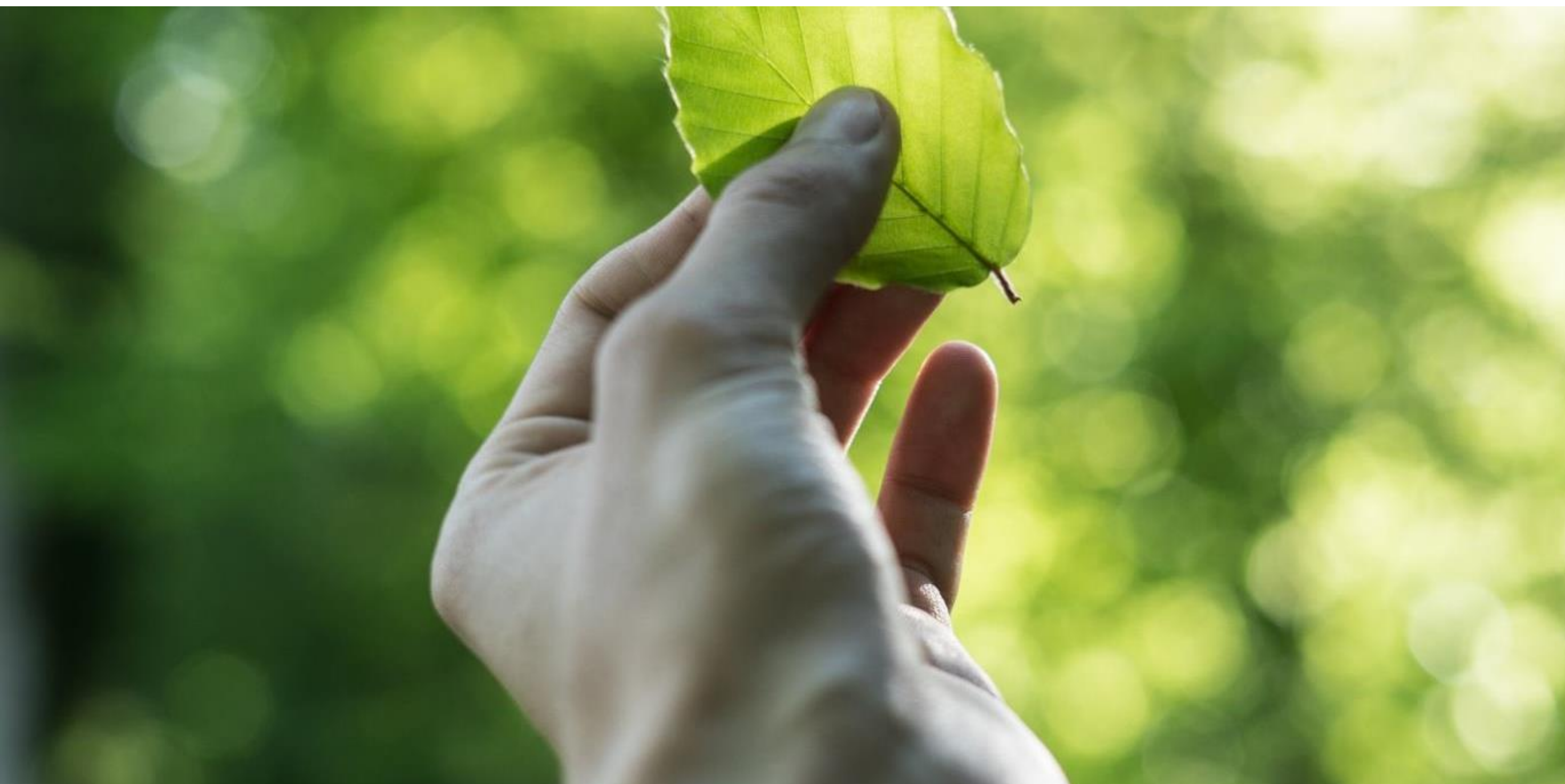
SCREEN

KPIs and diagnostics to
drive quantitative based
decisions within
competitive context

VALIDATE

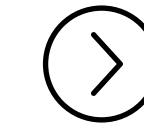
Go/No Go test based on
virtual shelves
incorporating behavioral
and implicit measurement

THANK YOU



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