

# BOXES, LABELS AND BEYOND:

Packaging as a  
messenger of  
corporate  
responsibility

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# 1. A dual decree

Sustainability is not a choice; it has become a mandate for corporates worldwide. The sooner it is embedded into the business philosophy, the easier it is for the organization to address the demands made by the larger system. Decisions about sustainability are being driven by two forces – Government regulations and policies on the one hand and expectations from an evolving, better informed, more eco-conscious consumer on the other.

India's FMCG sector is no exception. Undoubtedly big, it is expected to hit USD 616 billion by 2027. With newer markets and channels opening up, disruptive business models fuelled by technology are rapidly transforming this once steady space.

Companies in the sector are striving to balance their responsibility towards the environment by reimagining their sustainability targets and adapting on several fronts – from energy efficient manufacturing, sustainable supply chains to eco-friendly packaging, that ensures not only responsible sourcing, but responsible disposal upon use.



## 2. Working towards a responsible ecosystem



**Packaging innovation is emerging as a key enabler in the journey towards ESG compliance and leadership.**



Packaging innovation is emerging as a key enabler in the journey towards ESG compliance and leadership. The UN defines sustainability as “taking full account of the environmental consequences of economic activity and is based on the use of resources that can be replaced or renewed and therefore are not depleted”. Essentially, this idea stresses the importance of a fully functional, environmentally responsible packaging eco-system in which the manufacturer and the consumer both have equally important roles to play.

As manufacturers explore innovative packaging solutions through experiments in material and design and embrace the principles of a circular economy to transform their packaging footprint, the

monitoring and syncing of their efforts with evolving consumer sentiments becomes vital.

For instance, consumers may seem more aware of the environmental and social impact of their consumption choices, but are they also willing to vote with their wallets? Such an interplay between sustainability and cost consideration is just one aspect of the many in a complex packaging riddle that manufacturers are required to solve.

A simple answer could be having a vigilant, a well-crafted system that would monitor the shifting sensibilities, reactions and expectations of consumers across the four moments of truth for packaging interactions (see Figure 1 below) and feed it back into the innovation experiments.



**Zero moment of truth**

Memory  
Saliency



**1st moment of truth**

Stand out in  
store



**2nd moment of truth**

At home, on the  
go, in use



**3rd moment of truth**

Disposal &  
recycling

Figure 1: The four moments of truth when consumers interact with packaging

### 3. Know thy consumer



**There exists a say vs do or an intent vs action gap amongst consumers, which needs to be responsibly addressed.**



Among Indians, the concept of reuse and recycling is not new. Traditional practices like repurposing old clothes and reusing containers were once deeply ingrained into popular culture. But today, for the young and aspiring urban India whose focus is personal growth and economic progress, the enchanting and endless choices offered by the burgeoning markets truly become very hard to resist. According to the [2024 Ipsos India Sustainability Report](#), urban Indians do demonstrate good intent with a high level of concern for the environment. Nearly 1 in 2 even consider it as their own responsibility to manage. Yet, a majority simply choose to act as bystanders and are not primed for action at all. In other words, there exists a say vs do or an intent vs action gap among consumers, which needs to be responsibly addressed.

Insights from a qualitative study by Ipsos India for a fashion retail brand in Indian metros showed similar findings. The Indian consumer views sustainability as a noble and valued concept but is unwilling to bear the burden of sustainability for a price. This is where manufacturers and marketers can truly make a difference. With a

nuanced understanding of what consumers really want, they can rise to the opportunity and push their innovation efforts in a direction that makes sustainability an easier or more convenient choice for consumers, pushing them closer to action.

It must be understood that although consumers are part of the solution, they are not yet a force capable of driving it. They expect to be led, and if they are not ushered in the right direction by brands and corporations, they will simply lose focus. In fact, the risk of a possible reversal in consumer attitude towards sustainability & climate change, and a lack of urgency to act is reflected in the [Ipsos Global Trends 2024 report – India Edition](#).



**Manufacturers & Marketers can push innovation efforts in a direction that makes sustainability an easier or a convenient choice for consumers.**



## 4. Packaging, the ESG messenger

In the bid to navigate consumers towards sustainability by synchronizing their intent with appropriate action, the product packaging becomes a promising tool that brands and corporates can leverage effectively.

Findings from the Ipsos [Earth Day report 2024](#) show ~1 in 5 Indians believe that production of plastic and management of plastic waste are top contributors to global warming. The Indian government's push to regulate plastic use, including bans on single-use plastics appear to have emphasized the importance of sustainable packaging. In such a regulatory landscape, consumers are conditioned to perceive product packaging made from natural, recyclable materials as better for the environment.

Besides this, the same report indicates that over a fourth of Indian consumers express

voluntarily that they are more likely to actively combat climate change if provided with clear guidance on daily actions they can take (see Table 1 below).

Therefore, companies can utilize packaging not only to convey ESG messaging but also to demonstrate their commitment to sustainability through material choices, building trust with consumers who align with these values.

Pack or packaging innovation, therefore, becomes a tangible demonstration of a manufacturer's corporate sustainability agenda.

Table 1 : Incentives to take action on climate change 2024 - India

Q: Thinking about the actions you personally can take to help fight climate change, what could encourage you to make action, if anything?

Seeing the impact of climate driven weather events in other countries around the world.	30%
Seeing the impact of climate driven weather events in my country	29%
▶ Having easy access to information on the steps which I can take every day	28%
A financial incentive, or tax cut to allow me to make more environmentally friendly purchases of goods and services	27%
Seeing friends, family and neighbours/ neighbours making changes to their behaviour/ behaviour	23%
Only government enforced action will make me change my behaviour/ behaviour	5%
I already do everything I can	3%

Source: Ipsos Earth Day 2024 survey (among 2200 among urban Indians)

## 5. Looking for the right metrics



**Significant pack changes that pertain to changes in structure or functionality may run the risk of reduced salience and in turn, visibility**



Pack changes are often 'evolutionary' than 'revolutionary/ radical' in nature.

Significant or radical pack changes that pertain to changes in structure or functionality may run the risk of reduced salience and in turn, visibility. For instance, reducing the length of the cap of a container may lead to some loss in findability on shelf, or moving from plastic to paper pack may result in a pack being perceived as dull, which may even pose a threat to other brand assets over period of time, and end up alienating present consumers. But this same innovation could also contribute positively to the manufacturer's overall packaging footprint too. The impact of the change, therefore, has to be carefully studied and measured on multiple flanking parameters, if needed.

Broadening the context further, capturing the sentiment of others who influence consumer choice could also prove to be meaningful. For example, for retailers, the packaging has to be fairly durable to survive the handling process and storage. Without retailer confidence, consumer adoption could fail.

Therefore, impact measurement of the pack in a larger context, keeping in mind the product's unique coordinates with respect to its positioning, life-stage, market, while measuring alternate indirect or long-term benefits of the proposed changes becomes imperative. Hence, use of multiple or composite measures in order to gauge impact of packaging innovations is recommended.

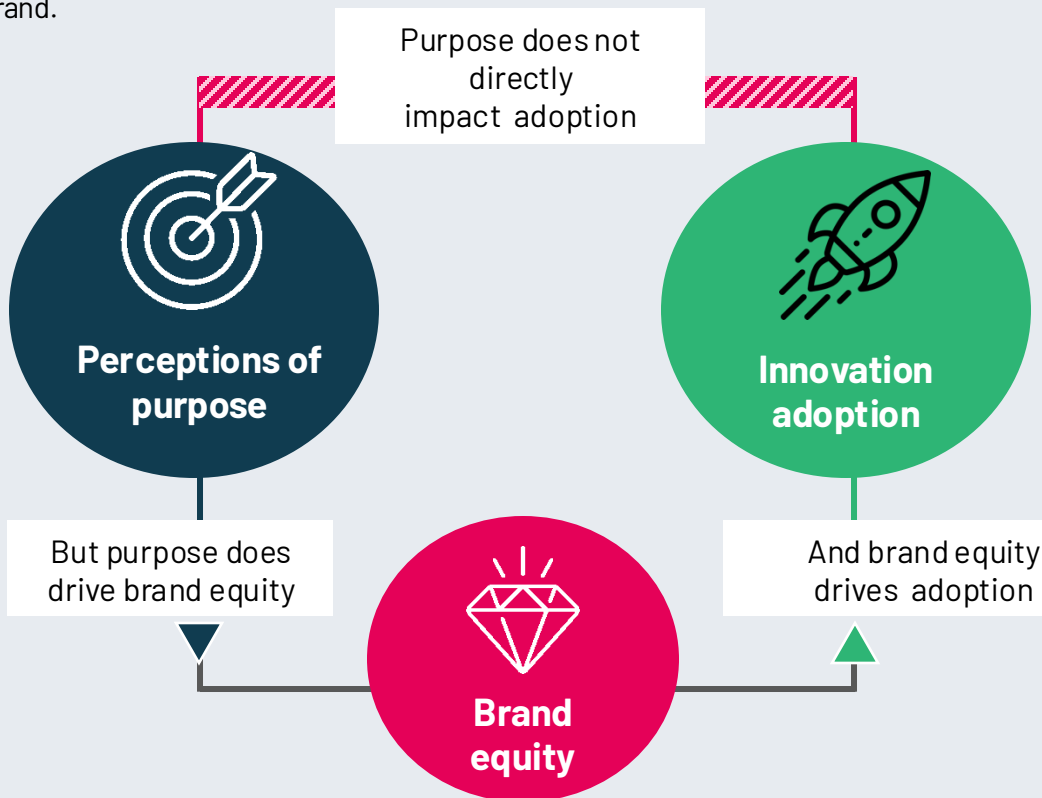


Now, circling back to consumers and remembering the learnings shared earlier about the extant say-do-gap in their intent versus behaviour, brings forth the importance of ensuring that a passive component of measurement be included in the assessment. Be it packaging material innovation or design, a thorough research would be one that incorporates consumer behaviour and a passive measurement in a scenario as close to reality as possible (to minimise the consumer's say-do gap) - to ascertain the real trade-off that the consumer is willing to make for sustainability.



### Example : Greener pack drives positive brand perception and eventually trials

A greener pack alone may not spark an overnight revolution in consumer behaviour in the short run – brand and category relevant messaging is foundational – but it does impact consumer perception of the brand. Consumers gain an insight about the brand's purpose and do give manufacturers the credit. This could lead to an overall uplift of brand equity and inclusion into the consideration set. All in all, a positive, albeit a gradual movement for the brand, that could eventually persuade people into adoption. They might try that product or another one from the same brand.







**While striving for sustainable packaging, it is important to maintain distinctive brand elements on the pack, and the pack's shape to ensure continued consumer recognition and prevent existing consumer alienation.**



**Supplementary measures of impact: Ipsos Sustainability Index**

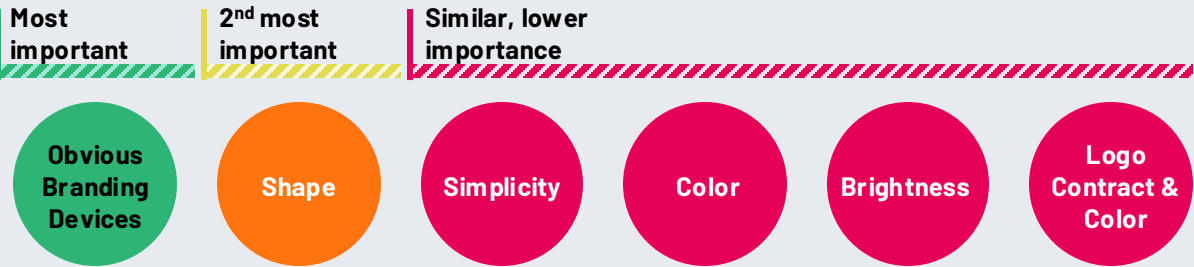
To keep in sync with the latent effects observed in the consumer psyche, measures such as the Ipsos Sustainability Index have been formulated to supplement direct feedback of a packaging innovation. The Index helps to understand how consumers view the design in the context of environmental impact. Below is an example where Pack B, seen as more sustainable, has an edge over Pack A, despite having a similar pack composite measure to Pack A.

	Pack A	Pack B
Pack Composite measure (pack performance)	101	100
Sustainability index (perceived environmental impact)	99	109

**Drivers of High Stand-out (CPG)**

Ipsos ran a regression modelling, experimenting with over 30 design characteristics and marketing variables. We found that ‘design quality’ can be summarized effectively by six main themes. Combined, these are the building blocks and considerations to developing distinctive visual assets.

Therefore, while striving for sustainable packaging, it is important to maintain distinctive brand elements on the pack, and the pack's shape to ensure continued consumer recognition and prevent existing consumer alienation.  
(Ipsos internal meta on pack tests)



## 6. Conclusion and Key Takeaways

If used well, packaging can become an effective messenger of corporate responsibility. Beyond the obvious messages communicated via labels and boxes, a well-crafted pack has the potential to reach far beyond, to deliver an impact even on the long-term assets of the brand.

The Pack has the ability to carry consumers along with the brand in its pursuit of sustainability. This fosters a sense of shared responsibility towards a more sustainable future. Therefore, when developing packaging innovations, brands must carefully consider their multi-dimensional impact to avoid missing opportunities to strengthen the brand's position among its potential consumers.



**Pack has the ability to carry consumers along with the brand in its pursuit of sustainability, fostering a sense of shared responsibility towards a more sustainable future.**

- 1** Sustainability is not a choice for manufacturers – it is a dual decree imposed by consumers and government alike.
- 2** Consumers want sustainability but can't or won't act on their own. Majority also refuse to bear the cost of any change in the direction. Therefore, the onus of making sustainability choices easier for consumers falls upon the manufacturers.
- 3** Packaging is a tangible demonstration of a manufacturer's corporate sustainability agenda to consumer. If managed properly, packaging innovation in the direction of sustainability can elevate brand equity.
- 4** Impact of packaging innovation requires expert measurement that is built on an understanding of behavioural sciences as well as the larger marketing context. As pack changes are evolutionary in nature, a thorough assessment would involve studying alternate long-term benefits in addition to immediate ones. It would also involve a passive measurement as close to reality as possible in order to solve for the consumers' say vs do gap in intent vs behaviour.

# Ipsos Solutions at-a-glance

## Pack Capabilities

We offer a **simple but comprehensive suite** of global solutions.

We use **passive measurements** and **observational techniques**, and leverage **best-in-class technologies** to deliver meaningful insights at each stage of your development process.

Our solutions are iterative, realistic and experiential.

### Discover

#### Fast Pack Audit

Assess your current pack's performance to see if change is needed

#### Distinctive Assets

Identify and determine the assets intrinsically linked to your brand.

### Screen

#### Duel

Rapid screening of simple stimulus

#### Fast Pack

Gamified mobile survey for fast pack screening

### Create

#### Pack | Labs

Combining Qual and Quant research in real time, online

### Validate

#### Simstore Pack

Flexibly screen or validate your pack in a validated and realistic virtual shelf or e-commerce environment

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