

A PAPER ON UNWRAPPING - PACKAGING IN THE DIGITAL AGE

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Abstract: *Consumers' online behaviour and global expectations are creating new paradigms, which cannot be ignored. As the world gets more digital-savvy in purchasing, what is the role of packaging? This paper tries to elucidate some points through the use of secondary data. Waiting for the package to arrive with a lot of expectations encircles it with some kind of mystery as the product remains untouched by hand. That is why the first impression that the packing causes are so important. Omni-channel presence is influencing the approach to packaging. Even packaging has seen a shift from just displaying plain information to displaying QR codes, Facebook pages; twitter handles which provoke the consumers to get connected. The package design, choice of materials, processing, and life-cycle require more analysis and documentation today. Companies implementing these eco-friendly actions are reducing their carbon footprint, using more recycled materials, and reusing more package components. The packaging is now expected to connect with other branded content online to create a seamless consumer experience.*

Keywords: *Packaging, Omni-Channel, Eco-friendly, Seamless*

Introduction

Packaging, the wrapping material around the product that serves many purposes like to protect, to identify, to market, to give information, and most importantly contain and keep it safe for consumption. It serves to be more than just an eye-catching look. It happens to be the product advertised on the shelf, turns to be the protective case for the product, and a lot more. The importance of packaging in terms of providing effectual hygiene to the product and emphasizing product differentiation cannot be ruled out. And there are many instances where the packaging was changed according to the times.

Today the retail industry is in the middle of a digital transformation. The growth of e-commerce, smart devices, digital wallets, and an increasingly tech-savvy customer base, is leading the retail industry to undergo an enduring change. Consumers' online behaviour and global expectations are creating new paradigms, which cannot be ignored. And it doesn't make any difference if that customer is looking at an online list of options or standing in front of the shelf. The basic rules of good packaging design still apply. Does the shift from store shelves to online shelves change the way brands package their products? This paper tries to understand this evolving concept and tries to understand the relevance of packaging.

The need for the study

As the world gets more digital-savvy in purchasing, what is the role of packaging? Is packaging serving the purpose of marketing the product or it has just become more restricted to being the protective casing?

Statement of the problem

- The relevance of packaging in terms of being the salesman on the shelf.
- The evolving concept of packaging in today's digital world.
- The changing rules of packaging.

Objective

The objective of the paper is to study and understand

- To study the relevance of packaging in today's digital era
- To analyse the evolving concept of packaging in today's digital world.
- To understand the bigger role of packaging
- To analyse the importance of sustainable packaging

Design/ Methodology/Approach

The paper tries to understand the aspects of packaging online by understanding the relevance through the secondary data available in books, journals, websites, blogs, etc. The reason for reliance on the secondary data is an attempt was made for collecting the primary data through questionnaire, but the questionnaire did not elucidate correct responses.

Review of Literature

There is not much research carried out on this particular topic and very few are relevant to the topic chosen.

Journal of Business Strategies, Vol.6, No. 2, 2012, pp 1-10 Effect of Product Packaging in Consumer Buying Decision Nawaz Ahmad*, MohibBillo & Asad Lakhani Greenwich University, Karachi The study was conducted to determine which elements of product packaging are the most significant and how they impact consumer buying behaviour. Due to increasing self-service and changing consumer lifestyles, the internet in packaging as a tool of sales promotion and stimulator of impulsive buying behavior is growing increasingly. So packaging performs an important role in marketing and encouraging or even sometimes discouraging the consumer from buying a product, especially at the point of sale or at the time when a consumer is choosing from among different brands of similar products type. This could be treated as one of the most important factors influencing a consumer's

purchase decision. This study was conducted keeping in view the importance of product packaging and the great impact it can make on the purchase decision, after studying different aspects and components of packaging. It was found that the colors of packaging are the most important and significant feature at 1%, followed by a picture or image of the purchasing which is significant at 10%.

Hughes (1998) (9), in one of his journals, grabs the attention towards involvement level, that sometimes involvement level reflects the extent of personal relevance of the individual's personal goals, basic values, and self-concept. If the product does not stimulate much interest, consumers do not give much attention to it. High involvement level shows more personal relevance. In general, consumer acquisition of low involvement products is often done without carefully examining brand and product information. This lack of commitment suggests that information on the package would carry relatively less value in such cases. On the other hand, more highly involved consumers evaluate message information more carefully, relying on the message to form their attitudes and purchase intentions (Silayoi and Speece, 2004).

Ulrich R Orth et al. (2010) says package design is an integral part of projecting a brand image, which is sometimes designed to convey images of high quality, while at other times signaling affordable prices.

Abrams, E. (2010) says in "Brand Identity meets Economics of Scales," "The carton, jar or tube propped on that store's shelf provides the first impression of a brand's product to a consumer, and the brand and the product packaging is critical to the success of both."

Arens (2007) says packaging is the container for a product – encompassing the physical appearance of the container including the design, color, shape, labeling, and material used.

Baker (2007) said it is worthwhile for the retailer to understand factors within the retail setting that trigger a consumer's impulsive reactions. Retailers can help customers to find the right products through focused Merchandising, intelligent store design and layout, and other visual merchandising, intelligent store design and layout, and other visual merchandising practices, such as product displays, packaging, and signage.

Brewer (2006) found that customers learn colors associations from current brands in the Market, which leads them to prefer certain colors for various product categories. Using color as a cue on packaging can be a potentially strong association, especially when it is unique to a particular brand. However, people in different cultures are exposed to different color associations and develop color preferences based on their own culture's associations. Furthermore, Brewer (2006) found that informational elements tend to be less important than visual in low involvement product decisions: "so graphics and color become critical".

Gonzalez (2007) said that the primary function of packaging is to protect the product against potential damage while transporting, storing, selling, and exploiting a product. Gonzalez mentioned that consequently, the role of the package in marketing communications increases: it must attract consumer's attention and transmit the

adequate value of the product to a consumer in the short period right in the place of sale. Therefore, there is a necessity to explore the package and its element in more detail, to understand which of these elements are the most important for a consumer purchase decision.

Hill (2005) said as individual preferences become more complex and diverse, packaging becomes the major means of product branding, packaging also provides the more permanent the impression of product brand to the customer.

According to Jugger (2008) brand purchases are being made or broken in the “final five seconds” is a brand is not adequately supported with media advertising, packaging must play a greater role in the brand’s marketing. Jugger (2008) said the “right” packaging solution is different for each brand. When it is important is that it works when placed next to the competition on the shelf.

Sinclair (2007) says the consumer’s decision-making processes are not rational in the sense that it is objective and consistent; neither does it follow any pre-determined rational, statistical economic patterns.

Siloyai (2006) mentioned that the behaviour of consumers with high involvement towards a product category is less influenced by image and visual stimuli. In such cases, consumers need more information and take more time to make evaluations. For instance, consumers who are more concerned with health and nutrition are more likely to pay attention to detailed label information about food products.

According to Smith (2006), six variables must be taken into consideration by producers and designers when creating efficient packages: form, size, color, graphics, material, and flavor.

Young (2008) said the most attractive or popular design is not necessarily the most effective one at the point of sale, because it may get lost in shelf clutter and/or fail to communicate key messages (and a point of difference) quickly and clearly.

According to Young (2008), when labelling messages are positioned on either side of the main visual, it pulls viewers in two different directions and often results in some messages getting lost outside of the primary viewing flow.

Relevance of Packaging

Packaging acts as the brand on the shelf. In today’s world, it is all the more important as the shelf is online. The packaging is essential because it differentiates the product and the brand.

Users not only enjoy the experience of purchasing a new product they also have fun unpacking it, with elaborate videos uploaded over the social media and terming it as the famous un-boxing. That additional packing also gives a connection to the feeling of purchasing in a unique space. Expectations and not anxiety are the keywords while buying online. Waiting for the package to arrive with a lot of expectations encircles it

with some kind of mystery as the product remains untouched by hand. That is why the first impression that the packing causes are so important.

The evolving concept of packaging in today's digital world.

Omni-channel presence is influencing the approach to packaging. Packaging designers need to consider all channels – retail shelf, electronic media, digital channels, Smartphone for designing the package. In the retail outlets, the packaging has to get connected with the consumers from a distance, concerning the shape or colour or logo; as the consumer gets nearer, the detailing is picked up; and finally, when the consumer picks up the product, the textures and contours come into effect.

And when its Online, the challenge enhances further. The thumbnail gives quick brand recognition capturing the eye and provides an early touchpoint; when the consumer zooms in for more detail to experience the product before the delivery is made.

Martin Ward, Nestlé creative lead at Anthem (A packaging design company), believes that the single biggest innovation driving packaging design-forward is the ability to connect with consumers via their mobile devices to deliver digital experiences. “Consumers’ reliance on smartphones and the expectation of information being readily at hand all the time has impacted the design of packaging,” he comments. “But this is contradicted with the need for packaging to be simpler, both for easy navigation in store but also to make it work for e-commerce and social media. Fortunately, connected technology has enabled the physical pack to be clear and single-minded while the information and engaging experience that consumers expect can be delivered directly from the pack to the consumer’s device.”

As the brand mark needs to be communicated consistently across several mediums, the traditional face of packaging gets disrupted by the digital channels. Key factors that distinguish the brand need to be highlighted to allow the customer to select the appropriate product while engaging in the digital format.

The entire package, not just the front ‘traditional’ selling face determines the consumer's willingness to purchase online. The product in totality becomes the selling face. The packaging is now expected to connect with other branded content online to create a seamless consumer experience. A brand can create a long term journey by using the pack as media.

Social platforms like Facebook, Instagram, Pinterest, etc which are highly visual content driven have completely changed the way how consumers interact with the brands. With just a tap on the handheld devices the entire history of the brand opens up and the consumers are even allowed to compare prices before the decision process starts. The packaging, therefore, has to have a connection as brands no longer live in isolation on a shelf but live in a 360°omni- channel interactive world workable in all spaces. The “less is more” approach is pertinent for online purchases, as they're often is less than a second to impress. Online or offline the design has to create impact, which can be achieved simply with colour, or instantly recognisable brand marks.

Connected Packaging - the bigger role of packaging

In the world of a slide, click, scan, upload there is a connection happening between the retail world and the digital. Consumers standing in a mall, shop, or even a restaurant try to establish a link immediately between the spaces. Even packaging has seen a shift from just displaying plain information to displaying QR codes, Facebook pages; twitter handles which provoke the consumers to get connected. Social media has drastically changed the interaction of brands. Popular youtube food channels, for instance, give the brand a chance to co-brand, (Chings showcasing their product on Hebbars). This way a flexible canvas is portrayed wherein there happens a direct connection with the consumers. The brands have also become more agile to the disruptive environment and are trying to adapt to different media. This, in turn, puts the onus on the design of packaging to have self-expression.

The application of technology to products through connected packaging, allowing a conversation with products that can then be shared in social channels, transforms packaging into a marketing channel that is owned. Thus intermediary is eliminated. The feel-good, look good factor that exists because of the social channels, the product packaging plays an important part in this. The packaging needs to look beautiful in social media environments as well as in-store. And companies have started realising that packaging is a cheaper and effective option to engage customers. And the important aspect now is ensuring that the product stands out on-shelf and online with exceptional packaging design.

The importance of sustainable packaging

“Sustainable packaging is the development and use of packaging which results in improved sustainability.”- Wikipedia. As consumer are getting aware of the harm caused by the non-degradable material, the chorus for an eco-friendly packing material which can sustain hard knocks and still can be used is getting higher and higher. The new addition to the environmental considerations for packaging is thus been added. The package design, choice of materials, processing, and life-cycle require more analysis and documentation today. Companies implementing these eco-friendly actions are reducing their carbon footprint, using more recycled materials, and reusing more package components. In turn, encouraging all the channels involved to do so. We need to reduce what we use, recycle as much as possible. Innovation is the key to change and more must be done to ensure we don't damage the planet in the process. For example, Skipping Rocks Lab is an innovative sustainable packaging start-up based in London. They are pioneering the use of natural materials extracted from plants and seaweed, to create packaging with low environmental impact. Their first product, Ooho, is revolutionising the water-on-the-go market. The spherical flexible packaging can also be used for other liquids including water, soft drinks, spirits, and cosmetics; the proprietary material is cheaper than plastic.

Conclusion

As the reach of digital channels increases, it is fast becoming the preferred channel for consumer purchases. Brands are trying to position themselves in the best possible way. As brand experience is redefined digitally, new models for packaging are the norm. As, with the change in the consumer mindset the change is happening even in the packaging - changes from functionality, durability to sustainability. Packaging today is more than just the protective casing. It has evolved from being not so important part of the entire product to being the first component to create an impression.

Omni-channel presence is influencing the approach to packaging. Packaging designers need to consider all channels – retail shelf, electronic media, digital channels, Smartphone for designing the package. The entire package, not just the front ‘traditional’ selling face now determines the consumer's willingness to purchase online. The product in totality becomes the selling face. The packaging is now expected to connect with other branded content online to create a seamless consumer experience. A brand can create a long term journey by using the pack as media. And in the fast-changing world, innovative designs need to be the norm to create an experience that drives customer loyalty which improves the long term quality of life for humans and the longevity of natural ecosystems. Innovation is the key to change and more must be done to ensure we don't damage the planet in the process.

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