

SUSTAINABLE PACKAGING: THE SHOPPER'S PERSPECTIVE

BY SCOTT YOUNG

Sustainable packaging is clearly a hot topic and an area of increasing focus for the packaging industry. Specifically, the efforts and initiatives of major retailers (most notably, Wal-Mart) have elevated sustainability from an abstract goal to an immediate priority. However, as marketers, we all recognize that the final arbiter is the shopper—and that relatively little is known about how shoppers will react to sustainable packaging concepts:

Will sustainability impact brand preferences and purchase decisions?

Will shoppers actually pay more for sustainable packaging?

Over the past year, PRS has conducted a number of studies, in which we have spoken with shoppers about sustainable packaging and broader environmental issues—and gathered feedback regarding specific packaging systems. As you might expect, our consumer research suggests that there is no single “answer” regarding the value and potential sales impact of sustainable packaging. However, these studies have revealed insights to guide packaging development and communication efforts.

Sustainability versus recycling

Certainly, there's no question that we've seen an increased environmental awareness on a societal level. This is driven by several obvious factors, including concerns about global warming (raised/publicized most recently by Al Gore and others) and geo-political issues tied to our dependence on foreign oil (and driven by the Iraq war).

However, despite the increased public conversation on these topics, the vast majority of shoppers define their role in protecting the environment with a single word and responsibility: recycling. In other words, shoppers generally expect packaging to be recyclable—and they accept their responsibility to recycle. Indeed, this general understanding and acceptance, along with legal regulations and increased convenience/accessibility, has driven a significant increase in recycling.

More recycling and environmental awareness, however, does not necessarily translate into a willingness to pay more for sustainable packaging. On the contrary, many shoppers are quick to comment that their job is to recycle—and it is manufacturers' responsibility to make sustainable packaging affordable. In addition, many shoppers associate sustainability with recycled materials and assume that “used” materials should actually cost less.

The importance of terminology

Speaking with shoppers about sustainable packaging (and nearly all environmental issues) illustrates the importance and power of

CONTINUED ON PAGE 16



terminology. Typically, we find a great deal of confusion regarding terms and claims, including the concept of sustainable packaging itself, which is not clearly distinguished from “recycled” in most shoppers’ minds.

When it comes to packaging claims or descriptors, more complex terms (such as post-consumer materials) and “hedged” claims (made partially from) are quite likely to draw glazed eyes and/or skeptical reactions. Interestingly, what appears to resonate with shoppers is a reference to ingredients, particularly oil. Across products and packages, we’ve found the perhaps the most clear and compelling environmental claims are those that refer to “no oil used” or “no fossil fuels used” in the production of a package.

Clearly, these references tie directly to shoppers’ widespread negative

which is to express concern. Therefore, as long as the conversation stays on the abstract level (i.e. Would you buy sustainable packaging? Would it make you feel better about the manufacturer?), you are likely to get very predictable—and potentially very misleading—answers from shoppers. This problem is only magnified when shoppers are asked about sustainable packaging in the context of another sensitive issue, which is pricing (i.e. “Would you pay more for sustainable packaging?”)

To avoid getting misleading feedback, be wary of asking about attitudes on a general level and focus more on behavior in specific shopping and usage situations. In other words, to get an accurate sense of what will really happen, there’s no substitute for placing an actual sustainable package in a competitive shelf context and documenting what happens. Do shoppers notice? Does it impact their

less involved. While these people generally want to “do the right thing,” they are not necessarily willing to invest a great deal of time and effort to do so—and they are not particularly inclined to pay more for environmentally friendly packaging.

In addition to developing sustainable packaging systems, you must invest time and energy in educating shoppers and in conveying environmental claims and benefits in a clear and compelling manner (via labeling, advertising support, etc.). It is misguided to assume a common language regarding environmental issues. However, our research suggests that focusing on several universally known ingredients (i.e., “no oil used,” “made entirely from corn,” etc.) can be powerful.

The best way to improve sustainable packaging efforts is to create tangible concepts and place them on-shelf and in shoppers’ hands. It is potentially misleading to speak with shoppers about sustainable packaging in the abstract, given the tendency for platitudes and “politically correct” answers. Instead, marketers and manufacturers need to create concepts and to see what resonates, what fails, and why.

Marketers who invest not only in sustainable packaging development, but also in understanding and connecting with shoppers, are likely to be rewarded at the shelf. In addition, they will be serving the greater public good by helping shoppers to better appreciate, value—and ultimately pay for—sustainable packaging. **BP**

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associations with our country’s oil dependency and their knowledge that oil and other fossil fuels are a finite resource. In addition to these “negative” claims (i.e. what is not used), “positive” claims (i.e. “Made from 100 percent renewable resources”) can also be powerful. Just as oil draws negative associations, references to natural products (particularly corn) are intuitively associated with renewable and earth-friendly resources.

The need for specific concepts

A third important lesson is that it is very difficult to get accurate consumer feedback about sustainable packaging unless you have actual packages or concepts to share.

Of course, in general, nearly every shopper is “in favor” of environmentally friendly packaging. Most everyone knows that there is a “right answer” when asked about the environment,

purchase decisions? Does it impact functionality and satisfaction upon usage? If the intention is to pass along higher costs of production, the new packaging can simply be presented at a higher price point than current packaging—and we can document whether this has an adverse impact on sales.

The path forward

There is much left to be learned about consumers’ reactions to sustainable packaging, and their attitudes and behaviors will undoubtedly evolve over time, with continued press coverage and with greater exposure to sustainable packaging concepts in market.

However, what we’ve learned so far points to several implications for the development and introduction of sustainable packaging systems:

While there is certainly a “leading edge” of very environmentally conscious shoppers, the vast majority are