PACKAGING TRENDS IN 2020

What is on the menu for 2020?

Designing innovative packaging solutions for the foodservice and FMCG industry since 1948, we take a look at some global packaging trends changing the state of play in 2020.

With more and more people conscious about what happens to their packaging after use and increased awareness of the benefits of recycling, terms like 'circular design' and 'circular economy' are not just on the agenda of sustainability managers, but a driving force for consumers and brands.

The popularity of food delivery continues to grow, and we investigate how packaging can make delivery a memorable experience.

We explore how a stripped back look or simpler packaging design is helping to focus attention on a single crafted message in an effective way. And, we investigate how smart packaging is providing additional product functionality.

Our top packaging trends:

1. Designing for a circular economy
2. Recycling contributing to circular thinking
3. Creating a memorable food delivery experience
4. Paired back design elements
5. Smart Packaging

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1. Designing for a circular economy

Sustainable packaging continues to dominate conversation for the foodservice and FMCG industries. This is thanks to pressure from new legislation, increased awareness about end of life options, considerations for collection logistics and growing concern about the environmental impacts of problematic single-use plastics.

Now, there is a growing tendency to look at the entire product's lifecycle. People are not only asking 'Is this product recyclable', but 'what are the chances of this product actually being recycled?'. This is seeing more thought put into business models, policy, logistics, and incentives to drive change[1] to ensure a product is recycled.

Packaging design should incorporate circular thinking[2]. Taking a holistic approach to how a product fits with a circular economy includes investigating how a consumer can be engaged with the end of life needs of that packaging, what the collection logistics are, whether the product can be recycled, and whether there is demand for the recycled material.

Linear Economy: Creates Waste

Take

Make

Use

Dispose
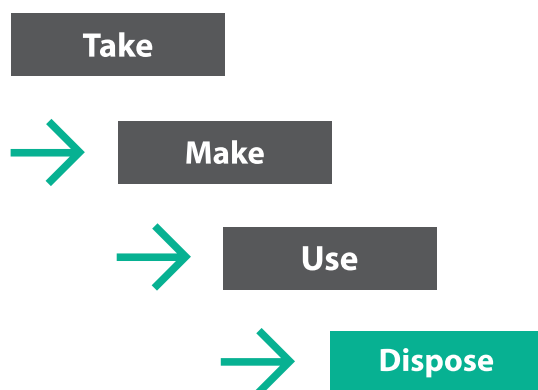
Circular Economy: Eliminates Waste
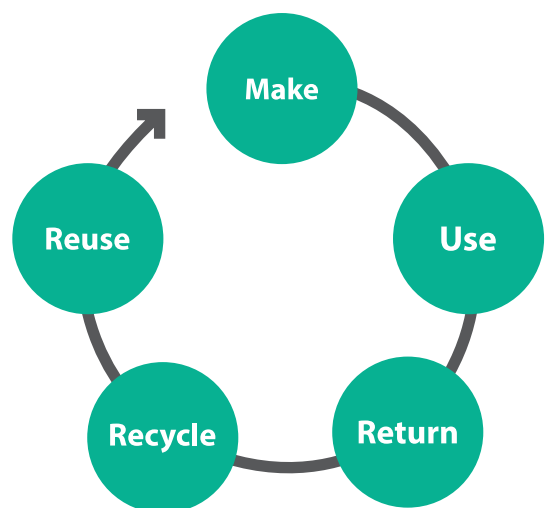
Make

Use

Return

Recycle

Reuse

1. Ellen MacArthur Foundation, 2019 'Regisning Plastics,'
2. UniLever, 2019 ,'Rethinking plastic packaging - Towards a circular economy',

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BY 2050 THERE WILL BE
MORE PLASTIC THAN FISH
IN THE OCEAN

· https://www.ellenmacarthurfoundation.org/news/new-plastics-economy-report-2-launch

1. Designing for a circular economy (continued)

A circular approach should consider how products and relating systems can facilitate more use and value from a material[3]. Moving away from the linear 'take-make-dispose' approach, circular thinking recognises how a packaging product contributes to a circular economy, where valuable resources are kept at their highest value and in use for as long as possible.

> "If we could build an economy that would use things rather than use them up, we could build a future."
>
> ELLEN MACARTHUR FOUNDATION

What is a circular economy?

A circular economy is a system which eliminates waste through the continual use of resources. Operating in a linear economy, where resources are taken, made into something, used and then disposed of is not a sustainable model. Moving to a circular economy keeps resources in use and at their highest form of use for as long as possible.

3. Rethink, 2019, 'Circular economy = resilient, competitive and sustainable business,

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2. Recycling contributing to circular thinking

Our first trend in designing for a circular economy is influencing increased demand for recyclable packaging to keep resources at a high value. Where established recycling systems are in place, and the product is recyclable, this is a way to give these valuable materials another life. This sentiment is echoed in the internationally accepted waste management hierarchy[4].

This hierarchy, formalised by the United Nations Environmental Programme, sets out an order of preference for action to reduce and manage waste[5]. From most to least preferred, the UN hierarchy goes; prevention, reduction, recycling, recovery (composting), disposal.

In 2020 more packaging will be printed with the Australasian-Recycling Label (ARL) logo, or similar schemes, designed to help people better understand how to recycle their packaging. This labelling scheme is not currently available for compostable products.
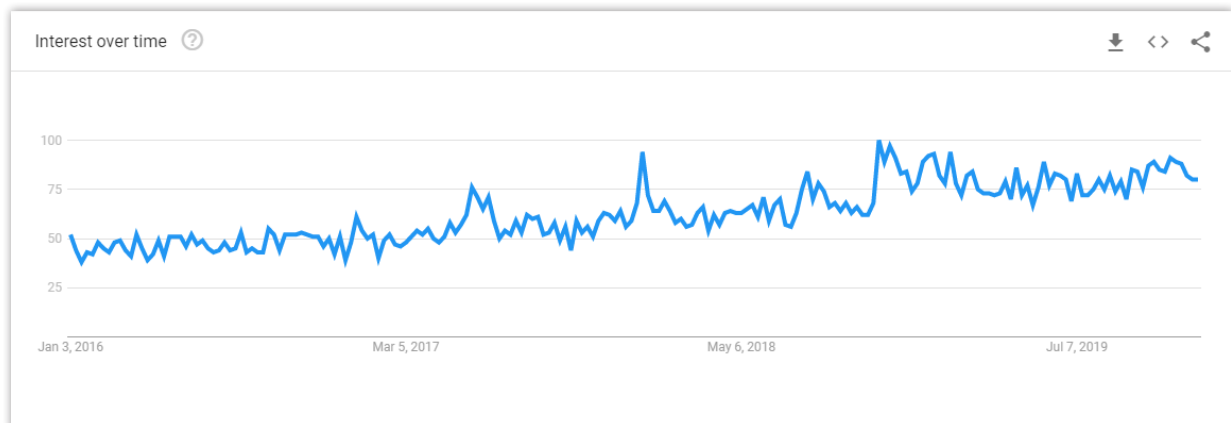
As business and consumer look for truly sustainable packaging solutions, there is growing awareness about misleading end-of-life claims causing confusion in-market. This includes the use of Polylactic Acid (PLA), or bioplastic, as a material replacement, with environmental claims for products with this material stating thet are 'plastic free' or 'recyclable'. PLA requires specific commercial composting conditions to break down, but limited collection logistics sees compostable packaging more often sent to landfill.

> "A focus on the end of life options for packaging is seeing increased awareness of the value of recycling, particularly over composting where a material has just one life."
>
> ANNA FALKINER, DETPAK
> MARKETING AND SUSTAINABILITY
> OFFICER

The number of Google searches for 'recycle' and 'how to recycle' has increased by over 50% since 2016. The graph below from Google Trends shows the upward trend in searches for 'recycle' in Australia – evidence of increased interest in this topic.

Interest over time

4. Australian Packaging Covenant Organisation, 2018, 'Biodegradable and Compostable Packaging,
5. United National Environmental Programme, 2013, 'Guidelines for National Waste Management Strategies,

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3. Creating a memorable food delivery experience

Convenience continues to drive the popularity of food delivery with an anticipated 9.9% compound annual growth rate anticipated for this segment of the foodservice industry globally until 2023[6].

In 2019, the most revenue for online food delivery was generated in China, followed by the United States and then Canada. The largest portion of the online food delivery segment is restaurant to consumer delivery, currently making up almost twice the revenue globally of platform to consumer as a segment[6]. Some of the drivers for this trend include; increased control for the restaurant over the food delivery experience, and more brand representation in the delivery process.

For food delivery, maximising consumer experience is essential. Packaging plays a big role in matching this experience to what the dining-in one would be, or facilitating a way to make a delivery experience stand out from others.

In looking to provide a memorable experience and promote the likelihood of a repeat order, packaging that is unique, tactile, or has a wow-factor upon opening helps to cement brands in consumers' minds[7].

Packaging provides an important touchpoint between the restaurant and the consumer. Delivery logistics are currently more often handled by a third-party app, so this touchpoint is a way for the restaurant to speak directly to consumers.

6. Statista, 2019, 'Online Food Delivery Statistics'
7. Bagdasarian, P, 2019, 'Food Delivery Packaging Trends', Modern Restaurant Management

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Unique packaging ideas help to spread the word about brands in a time of high competition and volatility, encouraging customers to order again.

And while a unique 'unboxing' experience has been considered in the eCommerce packaging world for a few years now – this is a relatively new concept for food delivery.

Paired with some interesting challenges, the packaging used for food delivery also needs to factor in food presentation, keeping food safe for transport, heat retention, and tamper proofing.

With a lot of competition on third party food delivery applications, it is essential that the quality of your food isn't compromised during delivery so that consumers are not disappointed with their purchase[8].

Keeping the heat in food delivery
One of the main customer complaints when it comes to food delivery is meals arriving cold. Choosing the right packaging is about balancing a need to promote heat retention, but also allow venting for fried or crispy foods to ensure these don't become soggy or lose their texture if steam cannot escape in the delivery environment.

"Designing packaging for food delivery has always presented a need for balance between heat retention and allowing hot food to vent. We are seeing increased customer interest in doing this in a way which does not impact on the presentation of the food, and which provides some sort of tamper-proof element. We continue to innovate in the food delivery packaging space, looking to add functionality to improve the overall consumer experience."

TOM HILDER, DETPAK PRODUCT DESIGNER

8. Hirschberg C, Rajko, A, Schumacher, T, Wrulich, M, 2016, 'The changing market for food delivery', McKinsey and Company

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4. Paired back design elements

In 2020 we anticipate an increase in simplistic packaging artwork, attracting consumer's attention by having only the most relevant information on the product[9].

Traditionally packaging products included things like contact details, the phone number, or address, of a company, but the rise of social media and easy access to digital information is making room for simpler designs to hero key brand messages.

This might be done by incorporating a QR code into a product's labelling design. These digitally scannable elements of design have paved a way to include more details about a product – without the clutter.

Minimalistic designs help key elements stand out, ensuring that simple shades, minimal words or patterns promote only the essential messages[10].

This minimalist design may include looking to trigger an emotional engagement with product packaging.

This is called sensation transference, where a consumer is more likely to re-purchase a product after having a positive emotional response to the packaging[11].

Using sensation transference to your advantage may mean considering colour, shape, storytelling, ease of opening and design elements, and considering what these communicate to a consumer subconsciously[12].

9. Bagdasarian, P, 2019, 'Food Delivery Packaging Trends', Modern Restaurant Management
10. Lupus, M, 2019, 'Nine inspiring packaging design trends for 2019'
11. Johns, R, 2019, 'Sensation Transference: Why creating a positive brand experience isn't one dimensional,' Unincorporated

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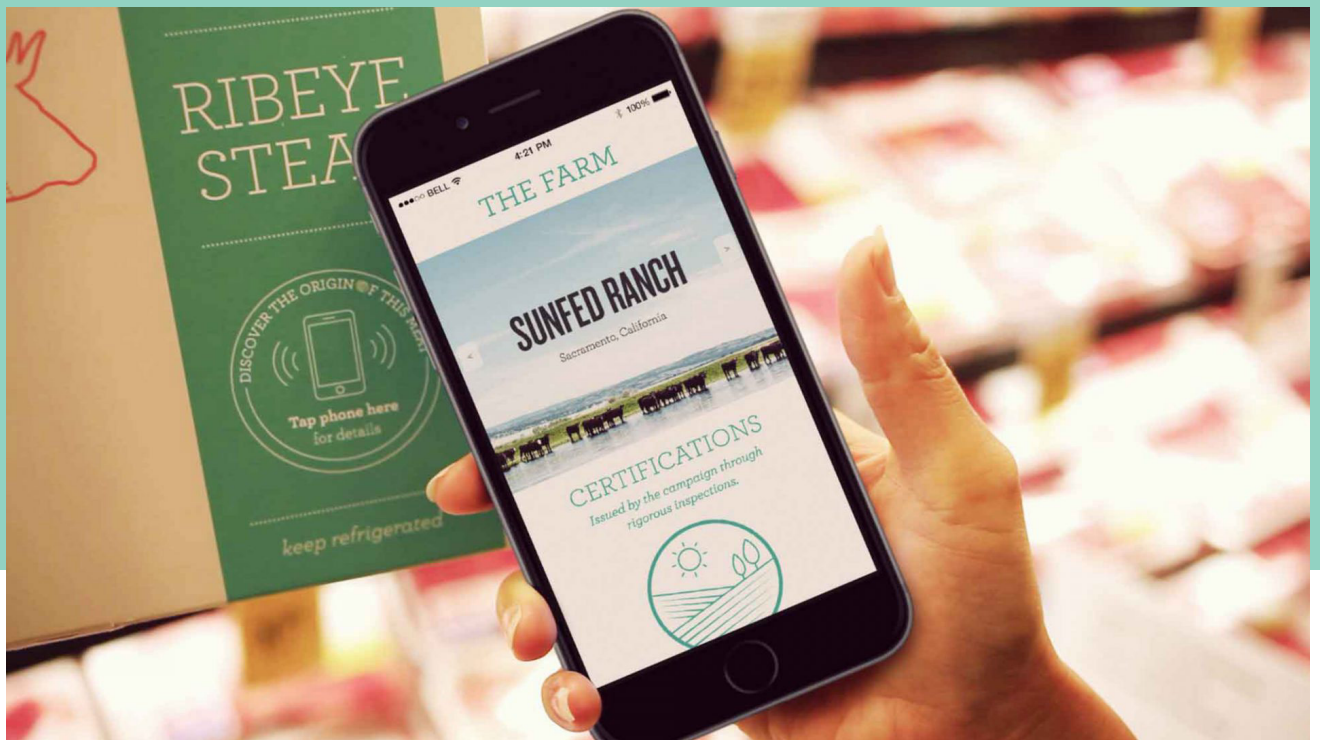
5. Smart Packaging

With wider functionality than communicating product information, smart packaging technology can be incorporated into a product to measure things like pH levels, temperature and fermentation to ensure the freshness, quality and flavour of a food[13].

Able to interpret information specific to that product, Smart Packaging elements can play a key role in assisting consumers in understanding if their food has been stored safely, or help prioritise usage to ensure food is consumed before it is past its best[14].

"Some of the evolving capabilities of smart packaging technology will provide significant advantages in being able to determine the conditions of food in real time. Not only can this technology impact on consumer health, but there are significant other advantages in the reduction of food waste."

ANDREW GOOD, DESIGN AND INNOVATION MANAGER

12. Roberge, D, 2017, 'How to trigger emotional engagement with your product packaging', Industrial Packaging
13. Das, R, 2019, 'Nine food packaging trends you need to be aware of in 2020'
14. Kuswandi, B, 2017,'Freshness sensors for food packaging', Research Gate

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About Detpak

Detpak is part of the Detmold Group, and has been innovating packaging solutions for the foodservice and FMCG markets since 1948.

Today, the Group is one of the world's largest manufacturers of paper and board products, employing more than 3,000 people globally, with manufacturing in seven countries, and 21 sales offices.

At our core is an entrepreneurial spirit, founding product innovations for the foodservice market, such as the RecycleMe™ System or Precision Series Hot Cups.

We make brands shine through our quality, service, value, and commitment to the customer.

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3. Rethink, 2019, 'Circular economy = resilient, competitive and sustainable business, <https://www.rethinkglobal.info/>

4. Australian Packaging Covenant Organisation, 2018, 'Biodegradable and Compostable Packaging, <https://www.packagingcovenant.org.au/documents/item/2175>

5. United National Environmental Programme, 2013, 'Guidelines for National Waste Management Strategies, <http://cwm.unitar.org/national-profiles/publications/cw/wm/UNEP_UNITAR_NWMS_English.pdf>

6. Statista, 2019, 'Online Food Delivery Statistics', <https://www.statista.com/outlook/374/100/online-fooddelivery/worldwide>

7. Bagdasarian, P, 2019, 'Food Delivery Packaging Trends', Modern Restaurant Management, <https://www.modernrestaurantmanagement.com/six-food-delivery-packaging-trends/>

8. Hirschberg C, Rajko, A, Schumacher, T, Wrulich, M, 2016, 'The changing market for food delivery', McKinsey and Company, <https://www.mckinsey.com/industries/technology-media-and-telecommunications/ourinsights/the-changing-market-for-food-delivery>

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