

Packaging: a medium with considerable power



A comparison of 23 communication channels

Summary of the PointLogic study
commissioned by Pro Carton and FFI



PRO CARTON

Association of European Cartonboard
and Carton Manufacturers

Packaging as a medium



One voice has so far been missing in the media concert: the voice of packaging. Supposedly. In reality we have always regarded packaging as being a powerful marketing instrument and a medium in its own right. However, there were no facts to underline this.

Pro Carton therefore commissioned a study to remedy this omission. We wanted to know where we stand. The results are clear: packaging belongs to marketing planning and the marketing budget in the same way as the other media. It is not simply a medium among many, but one of the most effective. And of all the different packaging materials available, cartons are certainly the most sustainable.

Roland Rex, President Pro Carton

Facts and figures at last: A study confirms the communication power of packaging



Dr. Hans Georg Stolz

Packaging is a medium – it provides information, helps in making decisions and creates trust. Although accepted as a medium by many, there was, to date, no evidence available based on numbers to convincingly and accurately demonstrate the advantages of packaging in the language of marketing experts and media planners.

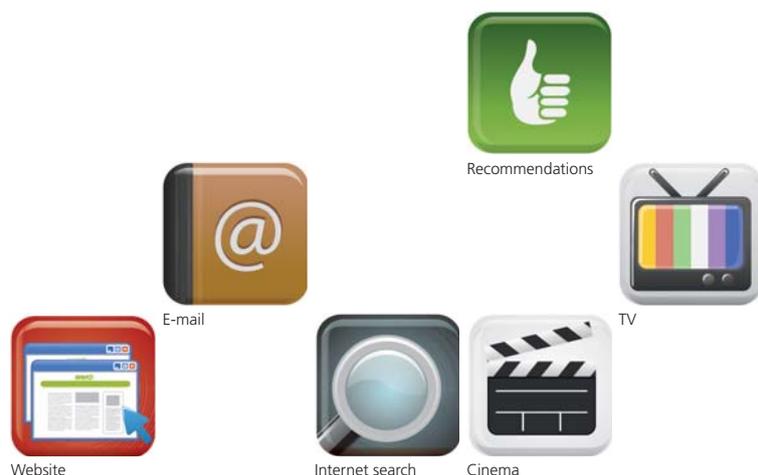
As a consequence, Pro Carton and PointLogic designed the study "The packaging effect: the role of cartons in media evaluation". The study was conducted in Germany, a major and highly numbers-oriented market. Five researchers in four countries were involved in the study and contributed their many years of experience and know-how in marketing planning and the measurement of media-specific communication performance.

In the study, packaging was treated in the same way as the classical and digital advertising media – from TV to Internet search engines. The respondents were not aware that the study was in fact aimed at packaging. The results were able to demonstrate the strengths of packaging as a medium with media-relevant numbers of contacts and performance parameters. This provided us with convincing arguments that the money invested in packaging indeed represents a high value-creating investment in the brand and in communications.

Hans Georg Stolz / Tim Foley, Pointlogic



Tim Foley



Overview of results

For the first time, a comprehensive study has examined the power of packaging in direct comparison with the other media and channels in marketing communications. With the following results:

- Packaging is one of the most influential communication media and adds considerably to brand communication.
- Packaging is a medium with a broad base – it is effective both in the stores and the homes of consumers.
- Packaging has a strong influence on the various elements of the purchasing decision. It helps to make decisions, says something about the quality and environmental aspects of a product, promotes use of the product, repeat purchase and recommendation.
- Packaging appeals strongly to all consumers in a similar manner, with younger consumers tending to pay more attention than older consumers – an indicator that packaging will not lose its relevance in the future.
- Packaging is of major relevance in the digital world of media. On the one hand it can link consumers with the Internet via codes, on the other hand, consumers want to see and evaluate packaging when shopping online.

The study outline

The study was conducted in Germany, 2,031 persons were interviewed, a representative cross-section of the population over 18 years of age. The concept, execution and analysis were provided by PointLogic, an institute specialised in the collection and analysis of data for the comparison of different media. The processed data then allows measurement of the respective strengths of a medium with respect to relevant marketing objectives.

The respondents were not informed that the study related specifically to packaging. They were asked to associate 23 different media with relevant communication tasks and to assess how well each of these channels is able to fulfil these tasks:

- Digital: website, e-mail, online advertising, Internet search, online discussions
- Personal: recommendations from friends or experts
- Classical: TV, cinema, magazines, mobile phones, newspapers, direct mail, public transport, billboards, radio, product samples, call-centres
- In-store: advertising, special offers, recommendations
- Packaging: in-store and at home



Newspapers



Mobile phone



Call-centres



Packaging in-store



Special offers



Direct Mail



Radio



Packaging at home



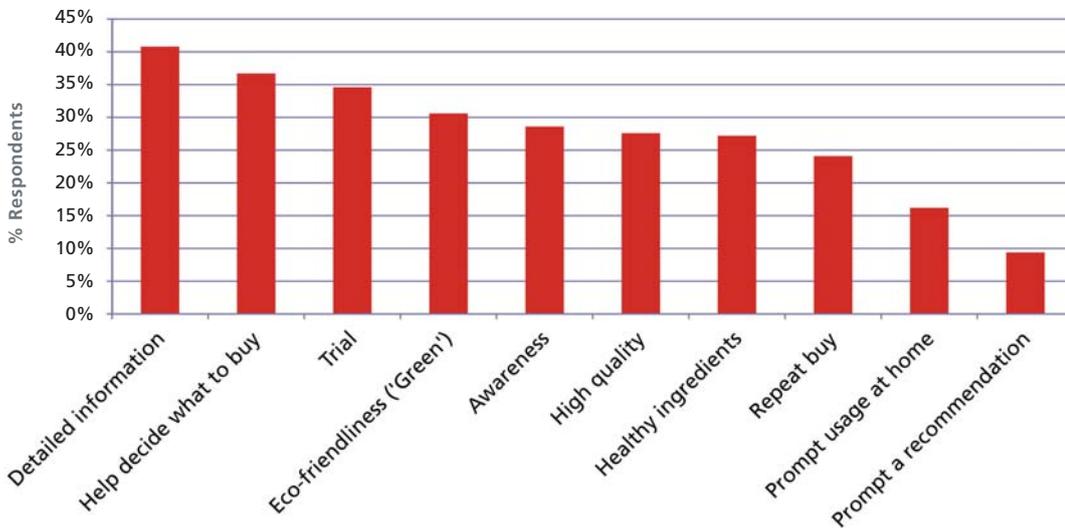
Packaging provides the basis for the evaluation of products

In-store, packaging exerts a powerful influence in the key areas of product evaluation and product trial – packaging provides detailed information and supports the buying decision. Packaging largely decides whether products are perceived as being environmentally friendly or of high quality. In the consumer's after home packaging supports knowledge about the product and its use. It also stimulates repeat purchases.

Channel strengths – In-store packaging

Base: all respondents

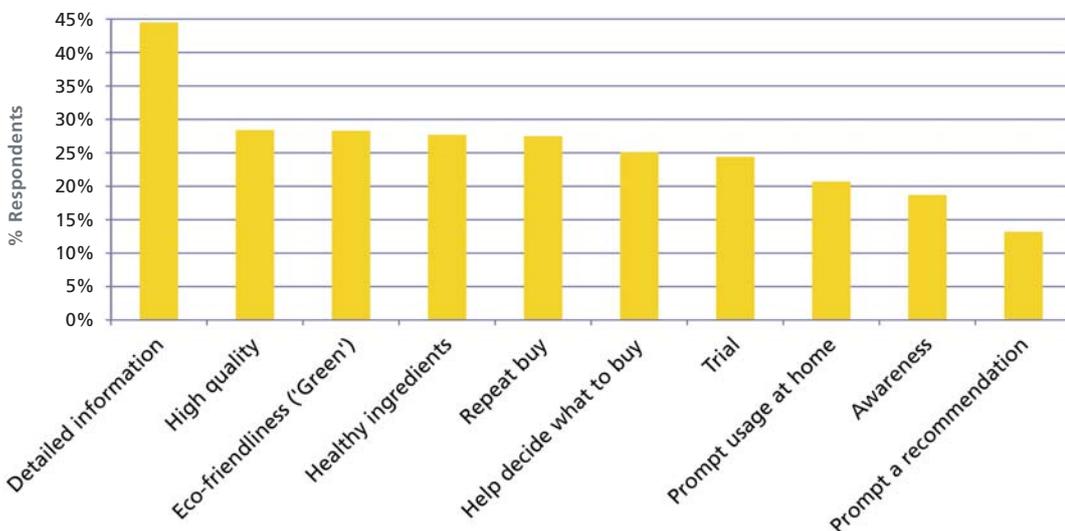
The question as to which medium is most suitable for which communication task is answered by the broad spectrum and significance on packaging in-store.



Channel strengths – In-home packaging

Base: all respondents

In-home packaging plays a different role. Information details dominate, but the overall significance for all communication tasks is again confirmed.



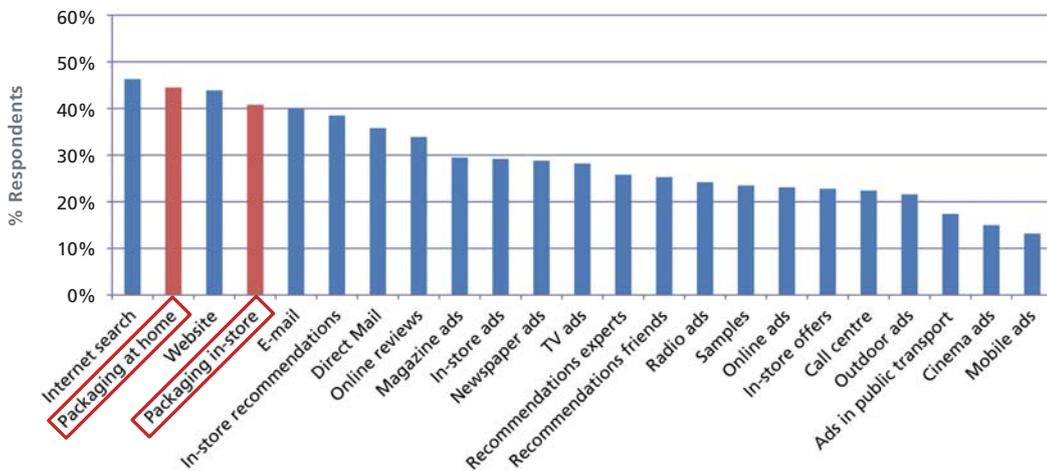
Packaging gives information on the product and its environmental friendliness

Consumers mainly seek detailed product information via two channels: the Internet and the packaging. The environmental friendliness of a product is largely decided by the packaging in which it is “dressed”.

Channel strengths for “Detailed information”

Ranking of all channels for the task “Delivers detailed information”

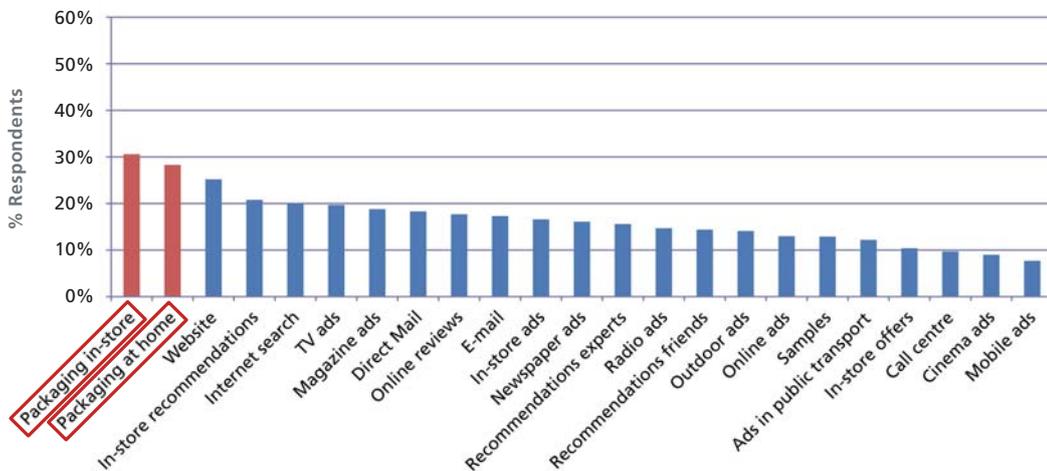
The top ranking for the question “which media are suitable for communicating detailed information” demonstrates the strength of packaging in this area.



Channel strengths for “Environmental friendliness”

Ranking of all channels for the task “Emphasise environmental friendliness”

Packaging is unbeatable when it comes to the question which medium is best suited to for emphasising the environmental friendliness of a product.



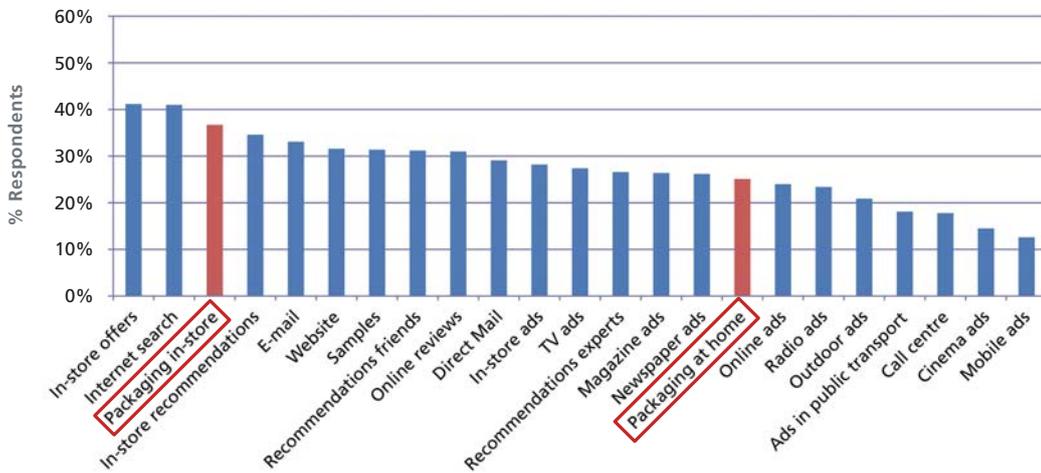
Packaging has a major influence on buying and repeat purchases.

Next to current special offers and Internet searches, it is largely in-store packaging which decides on "buy or not to buy". In-home packaging then takes on the task of encouraging repeat purchases. Only in-store special offers result in similar stimulation.

Channel strengths for "Helps to make a buying decision"

Ranking of all channels for the task "Helps me decide what to buy"

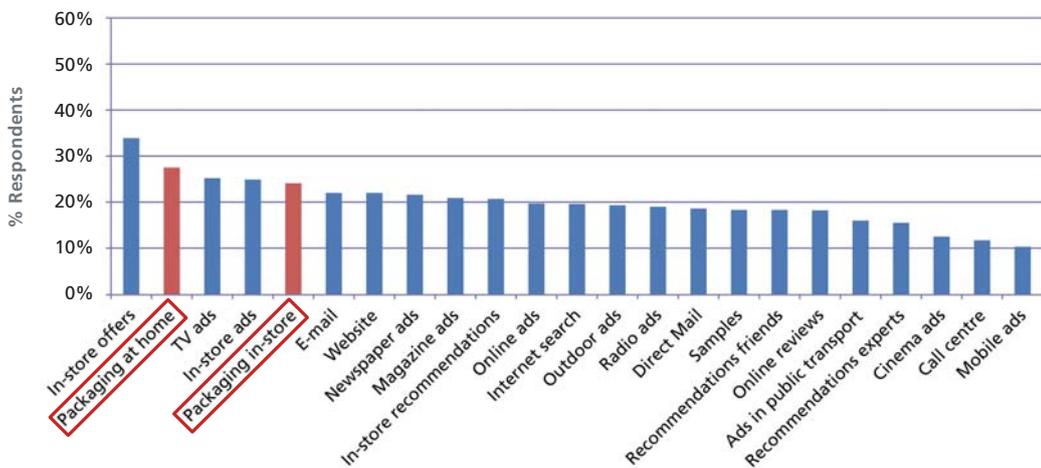
In response to the question which media can help make a buying decision, there is a clear divergence between the role of packaging in-store and in-home.



Channel strengths for "Repeat purchases"

Ranking of all channels for the task "Stimulating repeat purchases"

For repeat purchases we see a reverse order. In-home, packaging stimulates a strong impulse for repeat purchasing, in-store it provides recognition.



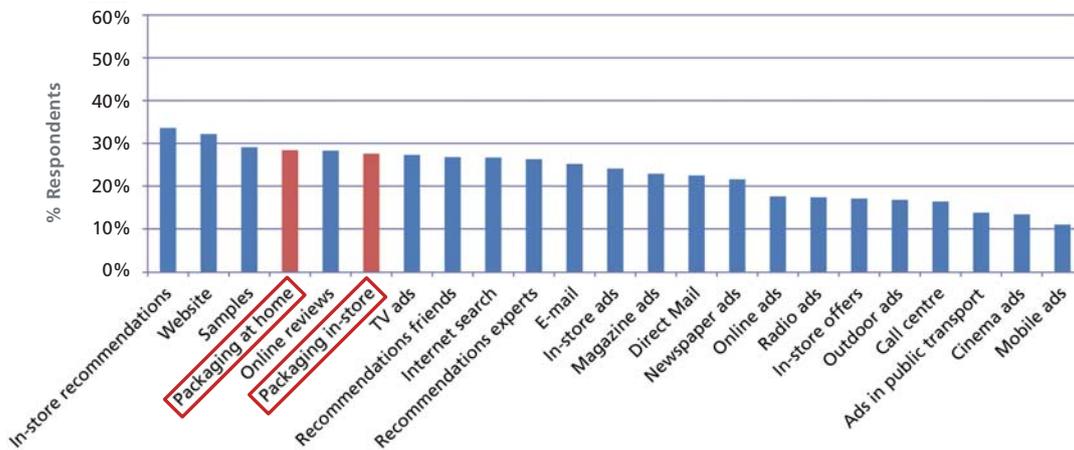
Packaging affects the judgement of quality and supports recommendation.

Next to personal recommendations, website information and product samples, packaging exerts the greatest influence on the judgement of the quality of products. Packaging also forms the basis for recommendations and provides reasons for use. Once we have purchased a product, in-home packaging is one of the most powerful stimulants for recommendations.

Channel strengths for "High quality"

Ranking of all channels for the task "Highlighting the quality of a product"

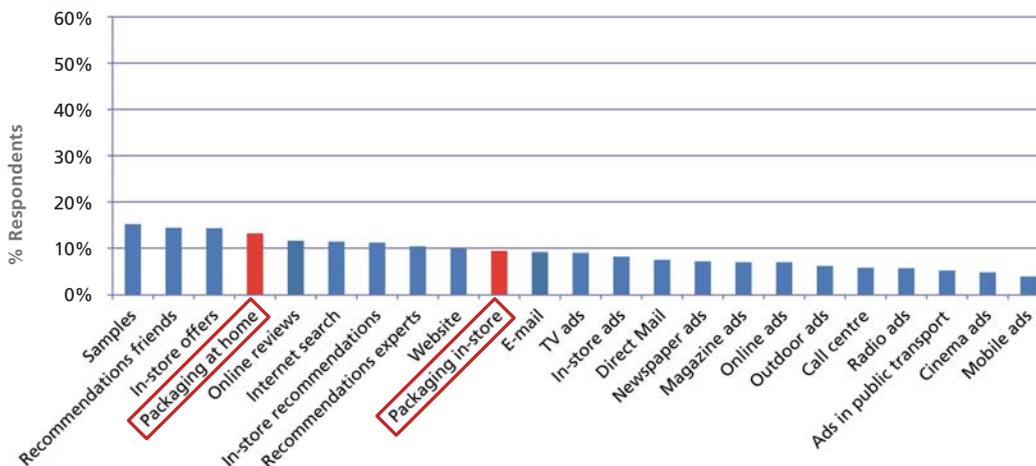
Traditional media have little effect on highlighting the high quality of a product. Quality is mostly judged by what we see and what people we trust tell us.



Channel strengths for "Prompting a recommendation"

Ranking of all channels for the task "Prompts the recommendation of a product"

The question as to which source of information is the most convincing for prompting a recommendation is a difficult task for all channels. Once a product has been purchased, in-home packaging is one of the most powerful stimuli for recommendation.



Packaging is one of the most effective of the 23 media.

An overview of the rankings for in-store packaging clearly shows it to be among the best options in virtually all important areas. When adding the different tasks of packaging it proves to be one of the most effective communication channels. Only in-store special offers, Internet and TV offer similar efficiencies.

In-store channel strengths Measured together with 23 channels

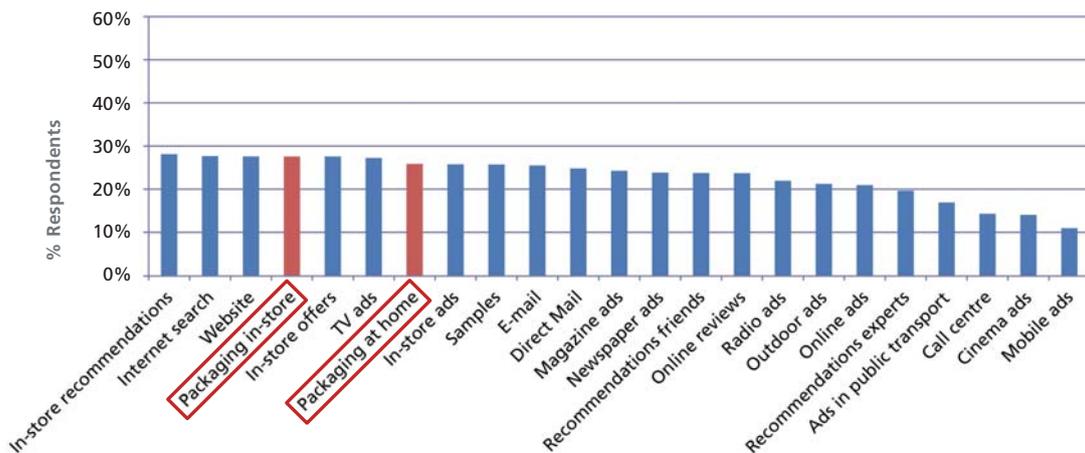
An analysis of the 23 examined media and their suitability for communication tasks results in a ranking: in-store packaging is among the top performers across virtually all areas.

Description	Top 5	Top 10
Detailed information	✓	
Buying decision	✓	
Environmental friendliness	✓	
Repeat purchases	✓	
Stimulate consumption		✓
Encourage recommendation		✓
Trial purchase		✓
High quality		✓

Channel strengths – average across all 10 tasks

Base: all respondents

Looking at the communications tasks overall, it can be seen that packaging is one of the most effective channels, also when compared with traditional media.



In-home packaging is also one of the most effective communication channels.

From 6 out of 10 communications tasks in-home packaging ranks under the top 5 – none of the other media can claim this effectiveness. For example, in-home packaging is the number one with regard to stimulating consumption.

Channel strengths – in-home packaging Measured together with 23 channels

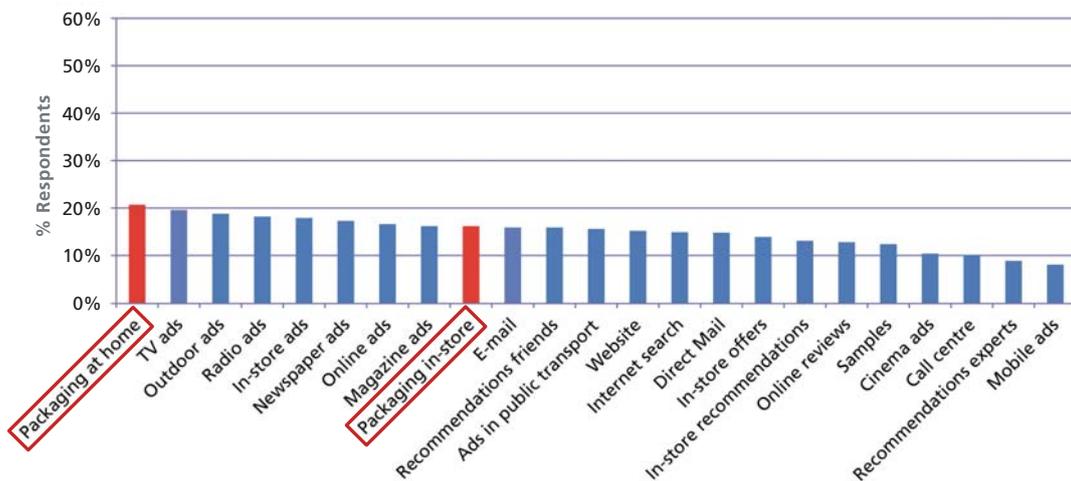
The rankings of the 23 media give packaging a top score for most communication tasks.

Description	Top 5
Detailed information	✓
Repeat purchases	✓
High quality	✓
Environmental friendliness	✓
Stimulate consumption	✓
Encourage recommendation	✓

Channel strengths “Stimulating consumption”

Rankings of all channels for the task “Reminds you to use what you already have at home”

Ahead of all other media, in-home packaging encourages consumers to use a product more often.



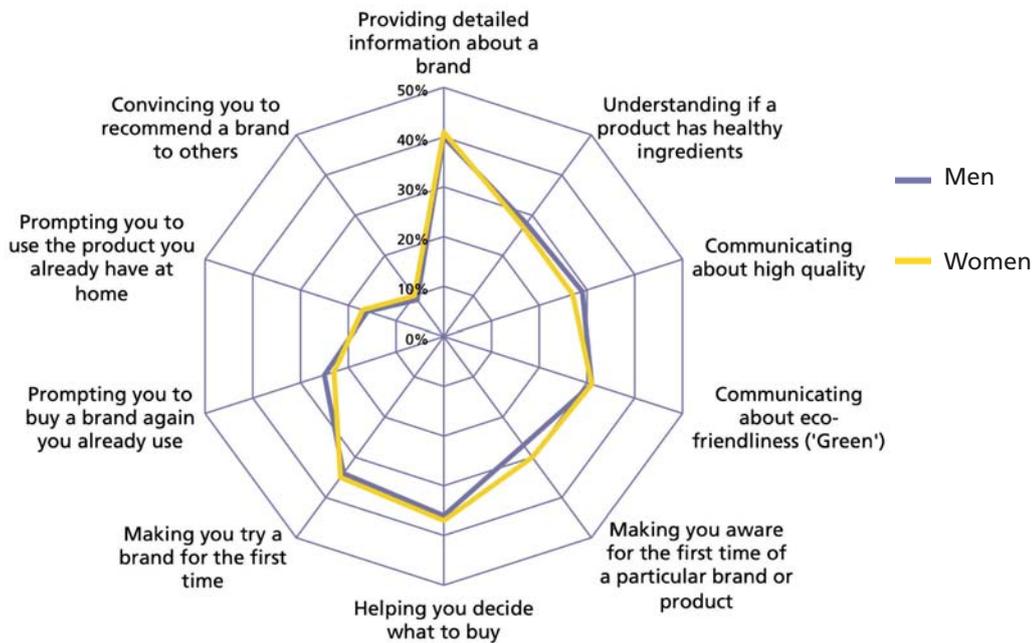
Packaging is especially effective among young consumers.

Men and women react similarly to in-store packaging. And packaging will also be a media of the future. Young consumers pay greater attention to packaging than older consumers.

Communication strengths Men vs. Women

Example: channel strengths for in-store packaging by age groups

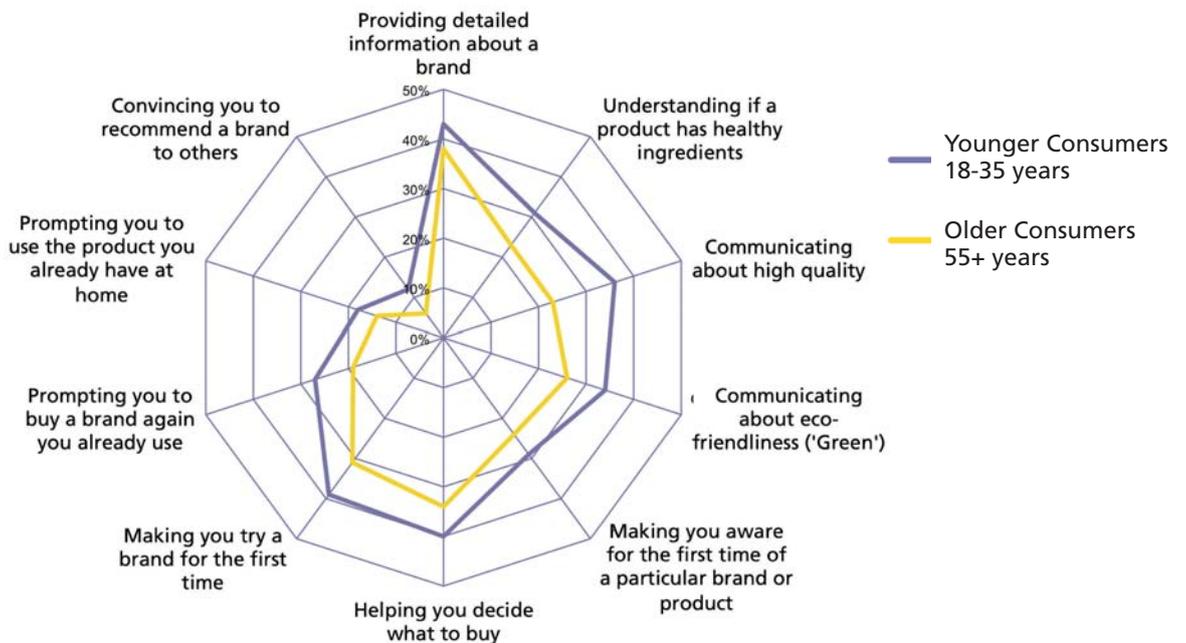
Men and women assessed packaging similar in performing communication tasks.



And how about younger consumers?

Example: channel strengths for in-store packaging by age groups

Younger consumers attach greater importance to packaging for virtually all communication tasks.



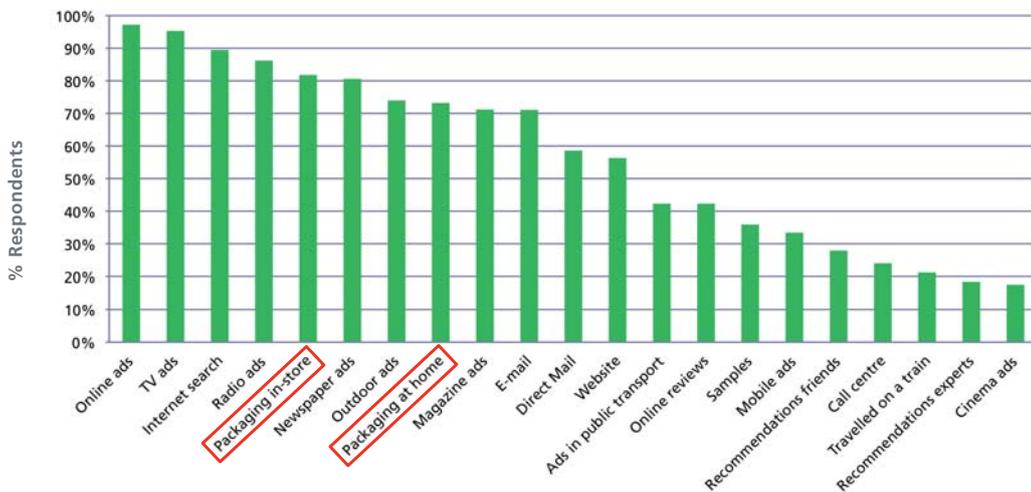
Packaging is a medium with a high reach.

An effective medium is not only powerful, it also has considerable reach. A direct reach comparison demonstrated the potential of packaging as a contact-generating medium. A look at the usage frequency in one month and over 12 months clearly showed: packaging has virtually universal reach.

Media reach over the past 30 days

Base: all respondents

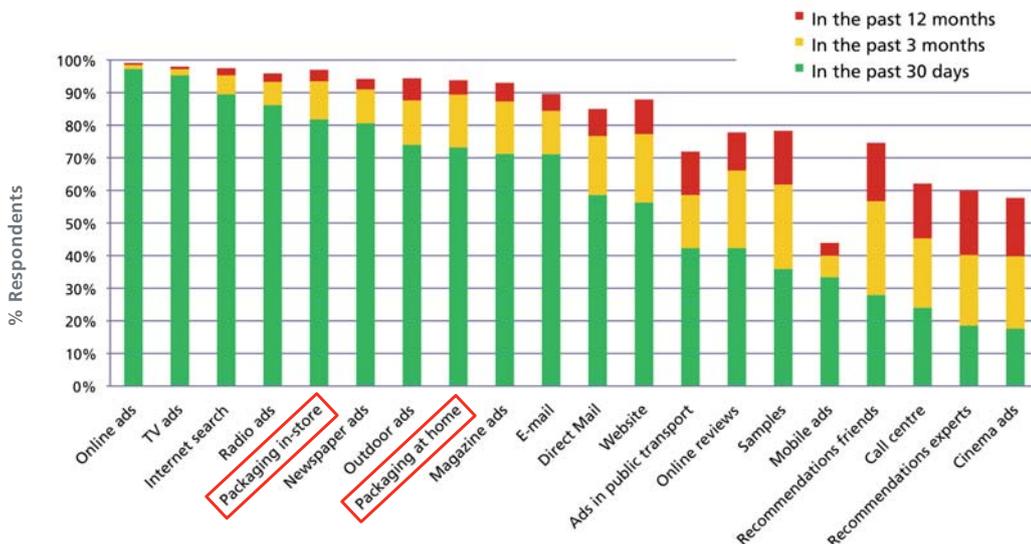
The use of media over the past 30 days was examined and the result is clear-cut: packaging is a medium with a high reach.



Media reach over the past 12 months

Base: all respondents

Extending the observation period to 12 months provides the following results: reach is virtually 100 per cent.

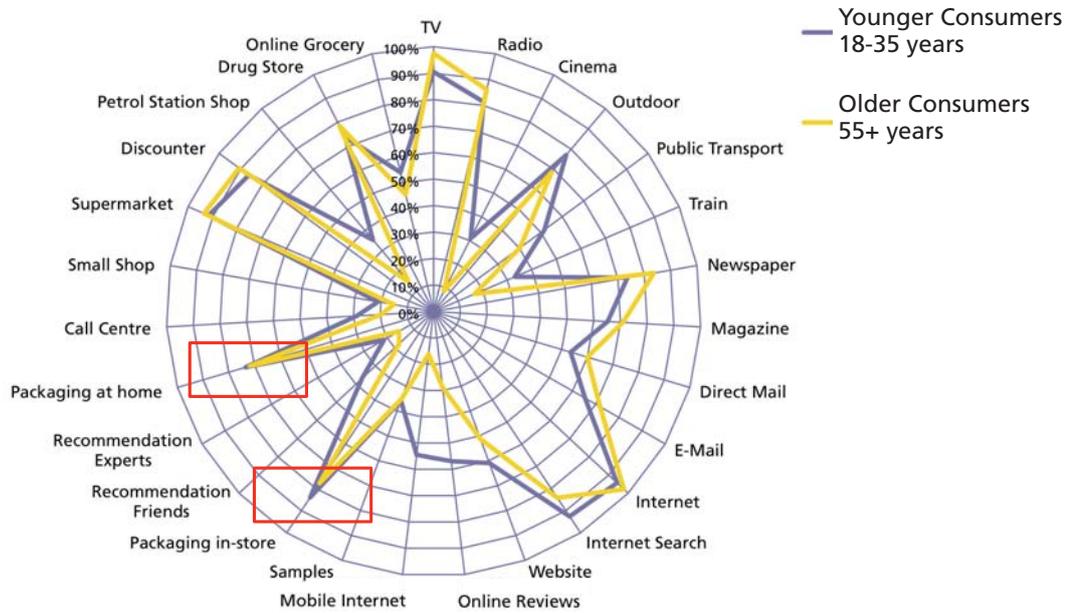


Packaging has a high reach and contact frequency over all target groups.

An analysis of "in-store" and "in-home" use demonstrates: packaging reaches both older and younger consumers and is used intensively as a medium.

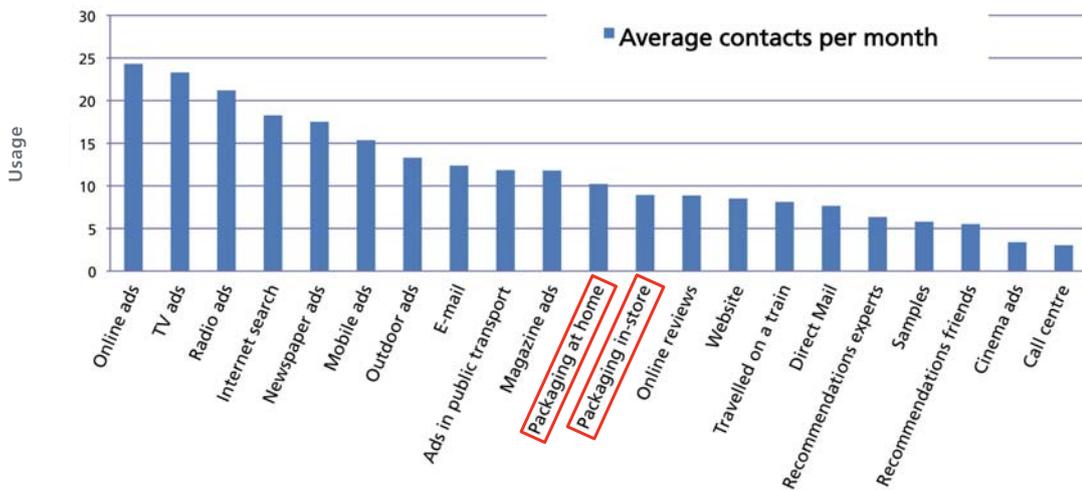
Media reach: a comparison of target groups Over the past 30 days

Packaging reaches both younger and older consumers equally well.



How often do respondents use the media

Considering packaging both in-home and in-store, it is one of the most used media.



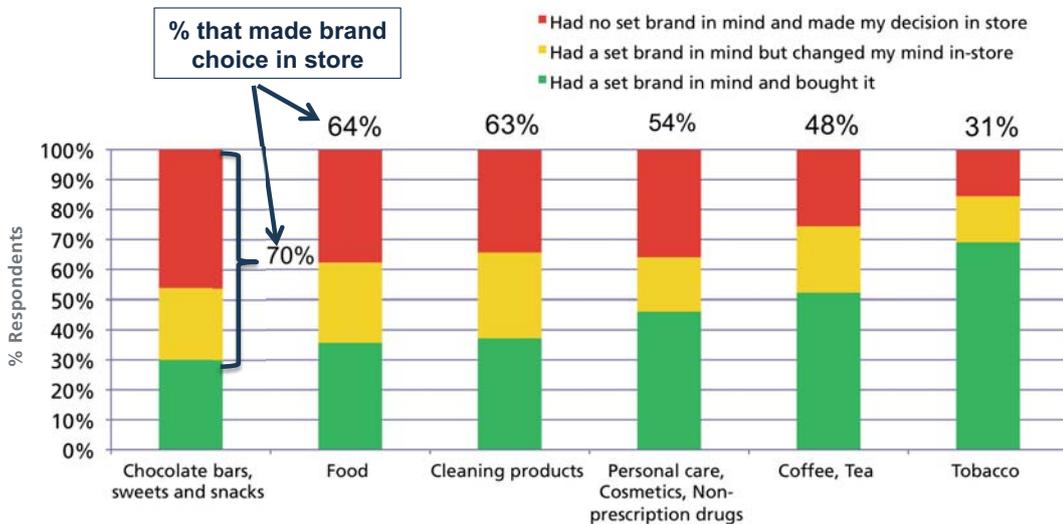
Most purchasing decisions are taken in the stores where packaging is especially effective.

The vast majority of consumers are impulsive buyers and decide what to buy in the stores. And even if they know which product they want to buy, the decision in favour of a specific brand is often taken in the store. Packaging is very important for these consumers.

Where was your last purchase decided?

According to product category

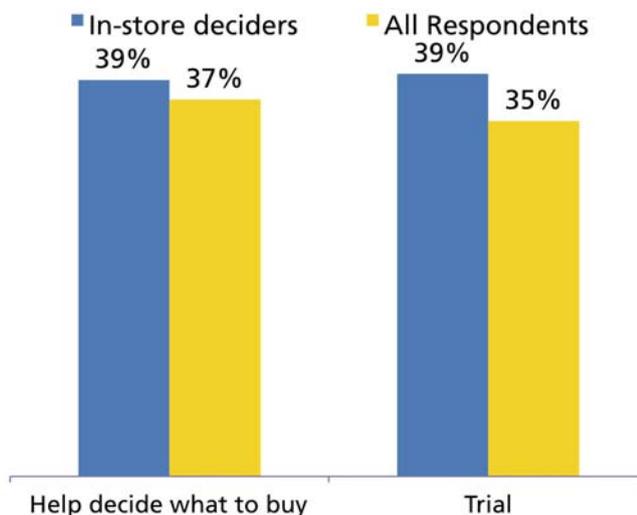
The percentage of consumers who make their final purchasing decision in the store is very high across nearly all categories.



Channel strengths: in-store packaging

Impulsive buyers vs. all respondents

More than a third of respondents stated that packaging is useful for decisions in the store. The percentage was even higher among impulsive buyers.



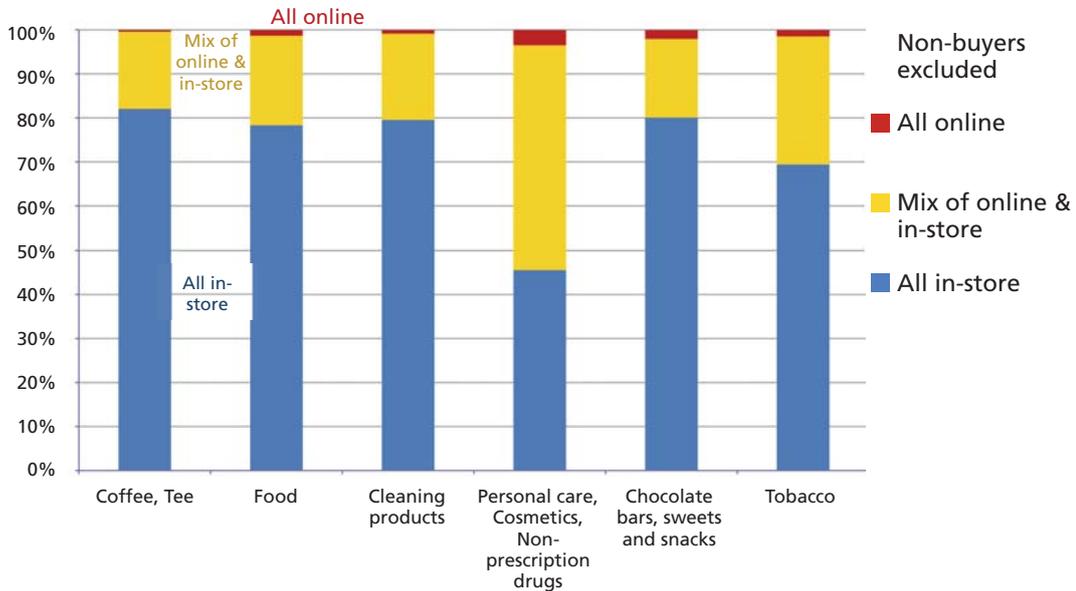
Internet shoppers want to see the packaging before deciding.

As yet, relatively few consumers buy their foods and products for daily use via the Internet. But when they do, they want to see the packaging on the screen before deciding. This is where carton packaging comes into its own as they are eye-catching by nature. The orientation function of boxes in the store also helps consumers in the virtual world of online shops.

The points of purchase – online or in-store?

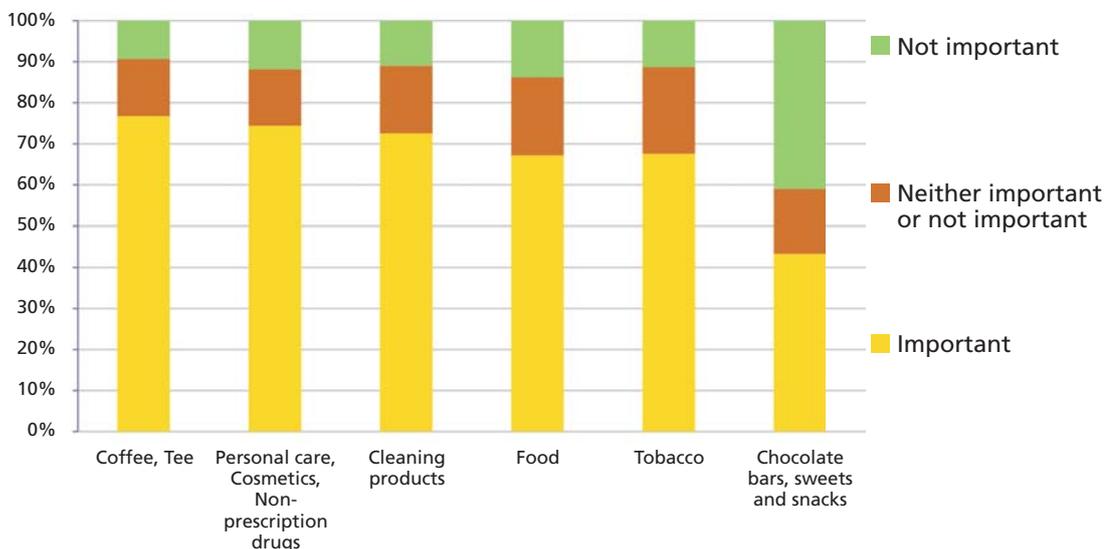
Comparison of mainly online vs. stores: all categories

The in-store retail trade remains the dominant shopping environment for the most important categories examined.



The importance of packaging images for first online purchases

Packaging is extremely important where products are already sold via the Internet.



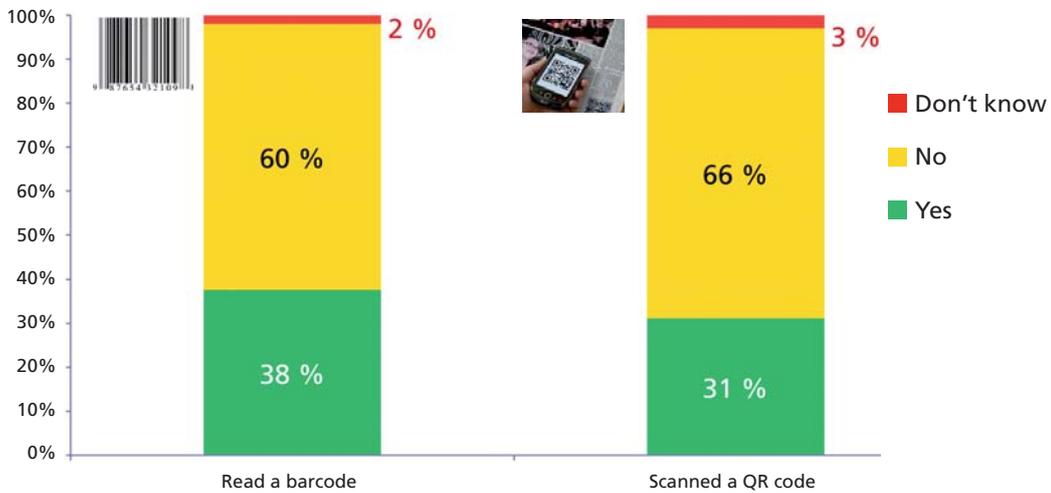
Smartphone and cartons are a team with a future

Many consumers have already used the smartphone to scan codes, and the great majority believe they will do so in future. This combines the advantages of the digital media with the communication performance of packaging.

Barcodes and QR-Codes – have you ever scanned?

Base: respondents with smartphones

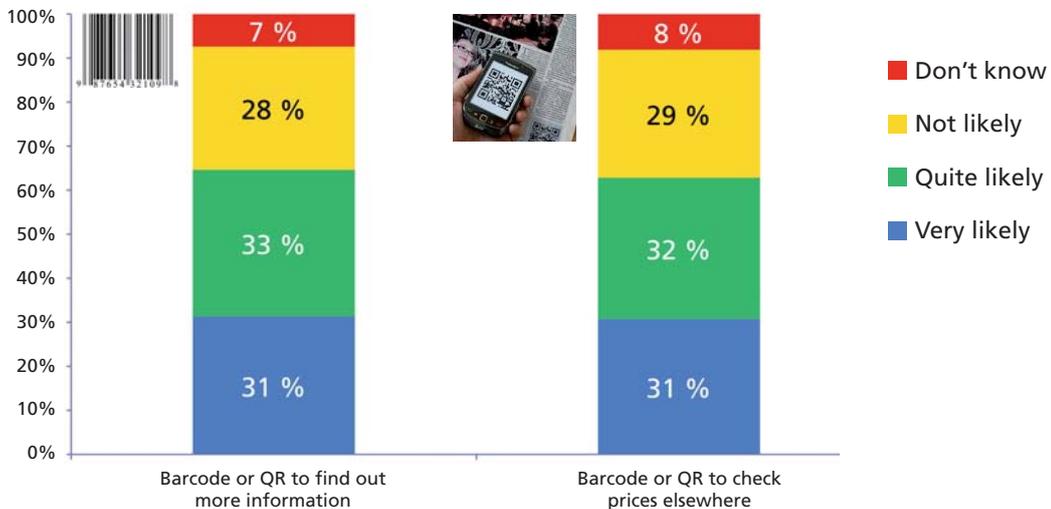
Over a third of respondents confirmed that they had already scanned a barcode or QR-code with their smartphone.



How probable is future use?

Base: smartphone owners who have NOT yet scanned codes

The great majority who have so far not yet used codes are likely to do so in the future.





The communication potential of packaging

In-store: "Before buying something for the first time I always read the packaging." 63% of all respondents agreed with this statement. Packaging provides information and details for purchasing decisions, provides orientation and gives customers visible and tangible reasons for buying.

For the majority of communication tasks, in-home packaging ranks among the top 5 of the 23 media: it gives detailed information, provides stimuli for usage and repeat purchases. It also signals high quality and environmental friendliness and encourages recommendation.

Internet: 65% of respondents agreed with the following statement: "If I were to purchase foods online it would be important to see pictures of the products and their packaging."

Pro Carton is the Association of European Cartonboard and Carton Manufacturers with the aim of promoting cartonboard and cartons to the branded goods industries and the retail trade, to designers, the media and regular opinion leaders, as an economically and ecologically balanced packaging medium with an important role to play in our society.

For further information please see www.procarton.com

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