

Making an impression: How packaging can signpost sustainability

90% of executives agree that sustainability is key to unlocking business success, playing an important role in engaging investors through strengthening ESG credentials, according to the World Economic Forum.

Consumers are becoming increasingly conscious of how sustainable their habits are too. Deloitte's 2023 *'The Sustainable Consumer' report* found that one in three consumers have stopped buying certain products and brands due to increased ethical and environmental concerns.

While businesses are undoubtedly bolstering their sustainability commitments, they need to ensure their efforts are being communicated to consumers effectively. But how can businesses signpost their sustainable practices when consumers only take mere seconds to make their purchasing decisions?

This is where the role of product packaging comes in. Packaging can completely influence a consumer's first impression of a product, so making sure a brand's sustainability credentials are front and centre is key to making sure customers understand a business' brand values from the beginning.

What is 'sustainable' to consumers?

Research by Boston Consulting group shows that more than two out of three

consumers consider sustainable packaging to be of high importance. Deloitte's research too, shows that more than half of those surveyed would prefer products that are packaged using recyclable, compostable, and biodegradable materials.

Moreover, the average Brit spends only 37 minutes per supermarket visit, which means consumers are making quick purchasing decisions. With this limited time in mind, the appearance of packaging plays a key role in choosing products.

Research from Pro Carton, the European Association of Carton and Cartonboard manufacturers, shows that more than 80% of Brits feel most confident about the recyclability of paper and corrugated cardboard. Businesses therefore that choose these materials for their packaging are more likely to successfully signpost the sustainability of their products to consumers.

Packaging that looks rustic and is easily identifiable as being made of paper materials seems to work best to showcase the brand's relationship with sustainability. Other sustainable materials made of plant-based sources on the other hand, may create a disconnect as consumers are unlikely to have come across it before.

Encouragingly, we're seeing some of the biggest food and drink brands adopt paper materials for their packaging. In January, Pringles changed its classic tube packaging to make recycling easier for consumers. The metal at the bottom of the tube has been replaced with recycled paper, and the plastic cap is now also recyclable.

The business benefits of sustainable packaging

Although making changes to packaging can seem unnerving at first, it can have great benefits for businesses in the long run, beyond improving consumer perceptions. It can not only play a key role in attracting a new, sustainability-conscious consumer base, but can also be a significant contributor in achieving various sustainability targets. For example, businesses can include their sustainable packaging changes within their SBTi (science-based targets), and also declare this within their wider CSRD (Corporate Sustainability Reporting Directive) reporting. This can play a strong role in boosting investor and wider stakeholder confidence as well.

Once the shift to sustainable packaging has been put into place, businesses can go beyond and educate their customer base about correct recycling practices, by printing clear instructions on how their packaging should be

recycled. This will not only reduce consumers' individual environmental impact, but also in turn reduce the business' Scope 3 impact, i.e. impact created beyond the business' internal supply chain – further supporting the business' efforts towards the Extended Producer Responsibility (EPR).

Moreover, in the long run, sustainable packaging can reduce transport and inventory costs, increase customer loyalty, remove the Plastic Packaging Tax, and help businesses gain support from the Government in the form of subsidies/tax credits.

Next steps for businesses

The complete adoption of sustainable packaging is not an immediate change. But with the right partner and continuous education on the alternative packaging available, brands can make sure they have the suitable tools and knowledge they need to make more informed choices.

Cullen is Europe's only combined manufacturer of moulded fibre and corrugated packaging and as a leader in sustainable packaging, we support businesses of all sizes, across various sectors in converting their current packaging into a more sustainable paper-based alternative in just six weeks.

In the last two years we have produced over 1 billion units of recyclable, compostable, and biodegradable packaging alternatives for customers in 35 countries. Simultaneously, we are educating businesses such as supermarkets and major retailers on how simple replacing single-use plastic with moulded fibre can be and the scale of the opportunity to adopt sustainable alternatives to plastic, for a more sustainable future.

Final thoughts

With packaging such an integral part of a brand's identity it should not be overlooked when considering your sustainability strategy. If you're embedding sustainable practices across your business, but your packaging doesn't reflect that, it's letting you down.

As plastic waste remains a major environmental challenge, and one of the things most consumers are committed to eradicating in order to reduce their environmental impact, using sustainable packaging is not only a strong step towards a greener future, but also to a whole new pool of consumers who are looking for sustainability-minded brands.

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