Packaging considerations for e-commerce

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Online shopping popularity has been increasing every year, but COVID-19 has dramatically accelerated this trend. The pandemic forced millions of people to stay at home, and the internet has been the most reliable means to purchase a variety of consumer-packaged goods (CPGs). Even as stores are reopening, the popularity of online shopping remains high.

The retail industry is transforming. Consumers are becoming tech-savvy and more comfortable using smart devices and digital wallets while shopping online. As the trend continues, it begs the questions: Does the change from store shelves to online shopping affect the way brands package their products? What are the challenges and concerns for e-commerce packaging?

Challenges

One of the important functions of the secondary package or shipping container is to protect the contents from damage during transit. With the variety of products available online, there is no "one-size-fits-all" packaging. Cold-chain distribution is a challenge but has been successful for online grocery delivery and for meal kits. Delivery of fragile, breakable, heavy and irregularly-shaped items, however, can be an issue. Other factors such as the ease of opening the package, extensive secondary packaging content and cost-effective shipping also affect the customer experience.

Good packaging can create a memorable customer experience, while poor packaging can adversely affect the customer experience. A positive consumer experience can lead to repeat purchases and, ultimately, brand loyalty. A negative consumer experience can cause a company to suffer the impact of returns costs, increased complaints, adverse comments on social media and poor public relations.

Many consumers are concerned about the use of excessive secondary packaging. Minimizing the amount of packaging and void fill, and the size and weight of the package, while maintaining the protection function will not only reduce material and shipping costs, but also reduce environmental impact. Packaging that can be reused, recycled or composted contributes to the sustainability of the package.

Online versus in-store shopping

For the primary or consumer-facing package, the rigors of handling and shipping for e-commerce pose different packaging demands than shipment for retail, which is generally bulk shipment in cases on a pallet, transported by trailer. Brands are looking at changes to the primary package and to different testing to reflect handling changes.

Most companies have been relying on the shipping container and packing materials during bulk shipments to ensure the product arrives in good condition; however, by seeking different primary packaging formats, it is possible to use less secondary packaging. For example, glass containers that may work well for store shelves are more prone to breakage when shipped in smaller quantities. Metal cans, when shipped individually, can become dented. Bottles with caps that aren't adequately protected in small shipments can leak and ruin other packages. Changing glass containers, metal cans, paper bags and rigid bottles to flexible packaging results in an easier-to-ship format, offers lower total package cost and optimizes the product-to-package ratio.

The distribution chain for e-commerce can have almost three times as many touch points as a conventional retail distribution chain. Traditional, safe-transit testing on products is conducted on boxes stacked on pallets for the retail environment. E-commerce shipments require testing with multiple products that simulates real-life performance evaluation, including both drop and vibration testing.

The in-store experience is different from an on-screen experience. The in-store experience requires an on-shelf setting that persuades the customer to buy the product. That experience is completely different in a two-dimensional world devoid of the ability to touch the product. Brands need to stand out by providing an experience that extends beyond the actual product. An enjoyable unboxing experience can create consumer delight. Branding and attractive package design can evoke these surprise moments and desire to repurchase.

Future of e-commerce packaging

Technology has been transforming business globally. As e-commerce becomes the preferred method for consumer purchases, it is increasingly becoming a competitive market. Packaging needs to be protective and address environmental concerns, while also providing an enjoyable purchase experience. E-commerce is here to stay. Companies need to be forward-thinking and respond to the changing packaging challenges in this new digital world. 🍎

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