



Packaging for an E-commerce purchase

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➔ Packaging can make the difference in whether the consumer has a positive rather than a negative experience with your brand. Ultimately, it may be the deciding factor in repurchase intent for a product. We have all had a less-than-pleasant experience with a product arriving to our home or business, and when that happens, the likelihood of repurchase is greatly diminished.

A package should be designed to protect, contain, and inform the product that it surrounds. The wow factor for packaging comes in with added utility of use of a package, which increases the customer's experience with the product and may lead to increased sales. To dive deeper, more detail is needed to create a package that protects the product over its life cycle of use. What is a package protecting a product from? How is a product being distributed and used? These are important questions to ask and understand.

More products are being sold in e-commerce channels today than ever before, yet many consumer products are still packaged with the traditional retail transaction in mind. If a grocery store can carry more than 100 different SKUs of an item, say toothpaste, when can we expect to see more products packaged for e-commerce being delivered to our doorstep? That is, packages that adequately protect the products we purchase from damage during distribution and that also, where possible, provide the consumer with an engaging experience when opening the package?

A cross-functional supply chain team working with a vendor can help drive change for the customer. Factors in moving products from retail to e-commerce packaging (apart from sales volume) include cost, sustainability, and how an item is purchased.

➔ COST

Many cleaners and liquids purchased via e-commerce channels have cap tape and/or a bag around the product. While this process helps contain your product from added shock experienced in the individual unit delivery cycle, it also adds materials and labor costs. One way suppliers are providing an offset is by bundling or shrink wrapping multiple units together. Think canister-style products such as sanitizing wipes. Suppliers can use this packaging process to market new scents to customers via a multipack trial. The tobacco industry has sold product by the carton for decades.

➔ SUSTAINABILITY

In today's environment, all of us have some form of sustainability initiative or accountability we are working toward. However, if customers receive damaged product after an internet purchase, they are not going

to be interested in how much material a company saved in packaging their purchase.

Here is where the delicate balance of product protection versus distribution effectiveness comes into play. A carton manufacturer can save a half inch of material on its master pack by shying the tuck flap. However, what would the customer experience be like if the batteries are delivered and the box flap is opened and the batteries are not in the carton but are strewn all over the shipping case? Items are being measured on product-to-packaging ratio, but a lower ratio may lead to increased product damage. In some instances, adding packaging makes the difference in satisfying the e-commerce consumer. The insulating sleeve that goes on a takeaway coffee cup is a great example of packaging that adds greatly to customer satisfaction.



➔ HOW AN ITEM IS PURCHASED

Is an item purchased online by the case, individually, or by some other unit of sale? Is a product being delivered by a courier or by your favorite overnight service? A full case of product may be robustly packaged to be delivered successfully, but in many instances the primary package needs more care to get to the customer in good condition. Companies that specialize in online or mail order for products, such as produce, utilize packaging that can survive the distribution cycle while also protecting the product.

Look for more changes and variety in packaging to continue arriving on your doorstep as consumer product companies are working to reach customers via different sales avenues. Companies that succeed will be those that not only reach the customer but satisfy them with the perfect order. Satisfaction leads to higher repurchase intent and increased sales. You still need a good product to drive sales, but packaging can certainly make the difference in keeping your customer coming back for more. **PW**

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