



By Mike Ross, CPP

Think globally, act locally from a packaging perspective

The world of consumer goods continues to change at an increasing pace. The competition between huge multinationals may still exist, but key new players are coming from both private label and smaller, entrepreneurial start-up brands. These smaller, local players leverage their understanding of consumer trends at both the regional and local levels, and are adept at introducing on-trend products, quickly to market, that speak directly to their target consumers. The result is that smaller players are taking market share away from what was formerly the citadels of the multinationals.

As a result, the role of the packaging professional must also evolve. Over the last 15 years, the trend at many multinationals has been a model of large, global centralization. Regional development models transformed into central models, where the approach was to develop one system and deploy it everywhere. The benefits of this model were to leverage scale, reduce cost, and create a range of technologies that could be deployed rapidly.

In retrospect, this took development a few steps away from the local markets, which is where the opportunity for smaller entrepreneurial companies is now being exploited. Large multinationals are moving to what can best be described as a hybrid model to try to meet this challenge. Packaging professionals are uniquely placed to help facilitate this change by leveraging a few key fundamentals to bring products to market with speed, cost efficiency, and quality.

1. Leverage your assets—physical

In terms of physical assets, it is important to understand what exists and where. Existing package systems, including components, molds, or machinery, can be applied to bring new products to life using existing supply chains. Having a global view on assets can unlock a wider range of options for the local product being developed. Consider that components (like pumps or closures) can be shipped internationally, and molds and machinery can be moved in the longer term. Assets in one region that may not be utilized can be reactivated to support another region or country.

2. Leverage your assets—people and skills

In terms of human assets, it is crucial to have access to the knowledge and skills that can deliver the solutions needed in product development. This may seem obvious, but so often can be a challenge given organization structures, resource allocation or simply a lack of knowing where that knowledge exists. As an organization moves back to a regional or local focus, it risks creating silos of development that require recreating these skill sets locally. This doesn't facilitate speed-to-market. In today's connected world, physical location should not be the constraint that holds development back.

3. Leverage eco-systems

Aside from internal partners (other functions), partnering with external development suppliers—converters, mold makers, design firms, and contract manufacturers—is a fundamental part of what packaging development does. However, what many professionals do not realize (or utilize) is the wider extent of services these partners can offer. For example, many converters have access to rapid prototyping. Many injection mold hot runner suppliers can offer simulation services that not only can predict mold fill, but also part warpage and comparisons between resin grades. Even if not located locally, utilizing your partners' global network and capability can greatly unlock speed, quality, and ultimately, cost efficiency. The key here is early supplier engagement and a clear understanding of what is required.

The underlying enabler for these fundamentals is building networks and relationships, both internally and externally. It is important not to confuse connectivity with relationships. These must be built over time, and ideally in-person instead of via e-mail exchanges. Working teams that understand each other's approach to development, risk acceptance level, and capability can take what can be a purely transactional experience and raise it to a more impactful level. Building working relationships and trust is crucial with key partners and wider global networks, as well as with local customers and consumers, and it unlocks the opportunity to capitalize on emerging trends. Leveraging these fundamentals allows packaging professionals to leverage global scale and portfolio while tailoring solutions at a local level. **PW**



Mike Ross, CPP, is Senior Packaging Manager, Hair Europe, at Unilever in the Netherlands. For more information on IoPP, visit www.iopp.org.