

The Power Of Packaging

Contributed by Millward Brown
 Wednesday, 12 November 2008
 Last Updated Sunday, 04 January 2009

November 2008

As one of the final triggers that can attract and persuade a consumer to buy a brand, packaging is a key part of the marketing mix. Although huge sums are spent assessing advertising effectiveness, for many, pack testing is often an after-thought and a missed opportunity to drive sales. This article explores both how packaging affects shoppers in-store and its long-term effects on those who use the brand.

Not all shoppers are alike, therefore different packaging designs are needed to reach different shoppers.

What does packaging do?

The recently released news that McDonald's is undertaking one of the biggest packaging initiatives in the history of the brand has highlighted the importance of packaging. The focus of the McDonald's global redesign has been on communicating food quality messages and nutritional information within a new bold design. But packaging can perform multiple roles, which vary according to the particular brand and category:

1. Packaging fulfils a functional role to contain and protect a product's contents both in-store and in the shopper's home. In many markets, packs have evolved functions that connect packaging to the product experience, for example sports caps on drinks bottles and widgets added to beer cans which create the "head" when it is poured
2. Packaging performs an important job as an informational vehicle, carrying details of the ingredients, usage, storage, nutrition and price
3. Shoppers will pass by hundreds of brands as they navigate through a store. Aesthetic factors are essential to make a brand stand out, to entice new shoppers and ensure existing users can find it
4. Sometimes referred to as "the silent salesman" due to its ability to influence consumers at the point of purchase, packaging also acts as a form of brand communication, imparting personality, positioning, values and benefits to the brand

The "default" shopper

Many studies suggest that around two-thirds of purchasing takes place in "default" mode, where the shopper gives little serious consideration to choosing between brands. This is often because shoppers already know which brand they want to buy before they walk into the store. Here "findability" is key. Any difficulties encountered by a shopper when trying to find the brand they want may open them up to other potential choices. Brands that are immediately identifiable are hugely powerful in ensuring the "default" shopper carries through with the purchase. As shoppers become more time pressured, more brand savvy and are faced with more choice, it will become increasingly difficult to break them from this "default" shopping mode.

The pack should instantly trigger brand memories, automatically bringing thoughts, knowledge and feelings about the brand into the shopper's consciousness. While it is important that the pack reflects the values and positioning of the brand, the key role of packaging is not necessarily to communicate but to trigger the communications that have already happened around that brand prior to the shopper entering the store. In order to achieve this, it is vital that packaging is integrated with other forms of brand communication.

The "considering" consumers

Only a third of purchasing in grocery outlets is considered. That is, where a shopper weighs up their options before deciding which brand to buy. This could be because it is a new or infrequent purchase for them, because they have been disrupted from their "default" mode, or because they don't have any strong pre-preference for a brand in the category.

For these shoppers the role of the pack is to attract attention and motivate trial. This can be done:

1. By being visually striking in design, color or shape
2. By communicating a strong rational message from the pack (organic, low fat etc.)
3. Through some form of offer (money off, buy one get one free etc.)

Packaging has to play different roles to reach "default" consumers and "considering" consumers. While these roles are not necessarily irreconcilable, they do tend to pull in different directions. The key determining factor is the position of the brand. Is it a small brand trying to attract attention or is the brand a dominant player in the category?

On-shelf context

With so much competition in the retail sector a brand must break through the visual clutter and grab a shopper's attention. A beautifully designed pack may be lost once displayed on a shelf alongside its competitors. Consideration should be

given to how the packaging works in quantity. For example, in the U.K., tea brand PG Tips has a leaf pattern across its pack and when the packs are displayed in a row, the leaves become a continuous banner.

Global factors

Not all packaging travels well. For example, the color, graphics and imagery of packaging that works well in one country, won't necessarily work in another. And, depending on where you are in the world, the importance of the different roles of packaging will shift. For example, in India, because those on lower incomes are paid daily, smaller pack sizes are needed to make products affordable – nearly 40 percent of shampoo sales are single-use size.

In more developed markets – green issues are playing a greater role in consumers' purchase decisions. People are increasingly concerned about the amount of packaging, what material it is made out of and whether or not it can be recycled or reused.

Using research to optimize this key form of brand communication

In summary, packaging should be treated with as much care and attention as other forms of brand communication, and tested both before a packaging design is finalized and in-market to see how it works.

With this in mind, Millward Brown has developed a comprehensive packaging pre-testing solution – Link for Packaging. Designed to work as an evaluation tool prior to costly pack redesigns, it helps brand owners understand how a pack works to fulfill all the different roles identified above.

The ongoing impact of packaging can be assessed using the packaging module offered as part of Millward Brown's continuous Dynamic Tracking solution. This module helps marketers monitor the long-term role their packs play among brand users.