



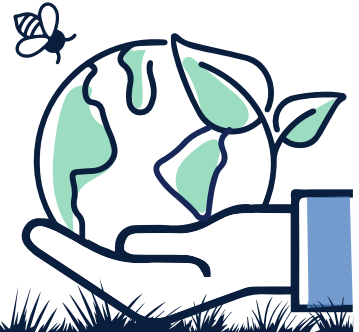
Insights Report January 2024



No longer a demand, but an expectation of responsible brands

In 2024, it's about commerce with a conscience that connects to consumers ethical beliefs and delivers lasting value.

According to Mintel, sustainability is no longer considered a selling point, but an essential element of survival, driving brands to continuously innovate and push the boundaries of what's possible – and what's necessary. You can find out more about our commitment to sustainability via our recent [Sustainability Report](#).



Compelling consumer insights

***39%**

of UK consumers are interested in labels with instructions on how to care for an item sustainably (e.g. wash on a low cycle, use a laundry bag to capture microfibres)

*Mintel

***75%**

of consumers are more likely to purchase brands that offer green or sustainable products, and **49%** said they would pay more for sustainable packaging and sustainable delivery

*Deloitte Global

***94%**

of consumers say it's a brand's responsibility to create products that are not harmful to the earth, with **61%** believing they shouldn't have to think about sustainability while shopping

*Deloitte Global

Accounting for 10 million online shoppers, GenZ, digital natives are the new shopping powerhouse, and over half are influenced by packaging sustainability. With

***37%**

of GenZ shoppers making a conscious effort to read green messages displayed on the packaging

*Packaging Europe & Modern Retail

***50%**

of young people (16-25) say they feel sad, anxious, powerless, helpless, and guilty about climate change, with over **45%** also saying their feelings about climate change negatively affect their daily life and functioning

*WGSN

This shift in expectations will push brands to try and align themselves with consumers' core ethical values and beliefs. They'll achieve this by being transparent, proactive, and taking ownership where sustainability is concerned. But this won't only benefit consumers; businesses also have a lot to gain.

A catalyst for growth

Seeking sustainable alternatives that support business growth:

Switching to sustainable packaging is not only environmentally responsible but also strategically beneficial. It can mitigate some of the challenges businesses face, from the Plastic Tax to supply chain issues, and propel business growth for a more financially sustainable future.

* **1 in 5**

Companies using plastic packaging in the UK have seen their costs increase by more than **75%** due to the UK Plastic Packaging Tax

*Packaging Insights

* **69%**

of UK businesses are currently facing supply chain issues

*Barclay's

* **Nearly half**

of UK small businesses stated that in 2023, 'financial challenges' are their biggest challenge

*Take Payments

Adopting sustainable packaging offers businesses more than consumer satisfaction; it's a growth catalyst. This shift can cut costs, optimise supply chain efficiencies, and boost sales, all essential for future-proofing in the current economic landscape. Mintel highlights the need for brands to revise long-term projections and timelines, ensuring measurable progress towards sustainability goals.

Rapid adaptation to the evolving global landscape is crucial, and businesses should take advantage of technology to improve their supply chains, such as SupplySmart, a data-driven method that allows for benchmarking within a secure digital framework, enabling smarter, quicker decisions to enhance packaging supply chains and adapt to market changes and disruptions.

Smurfit Kappa Sustainable Packaging Partner Success Stories

[Sustainable cardboard cup holder bin solution for trailblazers, Valpak](#)

[A sustainable mono material industrial packaging solution for HMY Yudigar](#)

[Sustainable water-resistant cardboard box solution for McCormack Family Farms](#)

[Sustainable thermal eCommerce packaging for Sutherlands of Portsoy](#)

[Sustainable water-resistant solution for Browning's poster frames](#)



eCommerce & Retail

What consumers are looking for from the brands they buy from:

Consumers increasingly seek convenient, value-for-money products driven by a desire for simpler, more efficient lifestyles. This trend, underscored by a GlobalData report highlighting a 2023 key trend of a value-for-money mindset, calls for products that meet practicality and budget needs. What's more, there's a rising demand for brands that resonate with emotional and social values like sustainability, equity, and authenticity. This is evident in the popularity of local shopping, second-hand platforms, and solutions offering maximum efficiency with minimal effort, reflecting a broader inclination towards easy, efficient daily routines and habits.

Compelling consumer insights

Value for both mind and money:

***43%**

of consumers plan to increase online shopping in the next six months

*Internet Retailing (August 2023)

***75%**

of consumers would part ways with a brand over value conflicts, with **15%** sharing their concerns on social media

*Consumer Goods Technology

***77%**

of Britons are increasingly focused on value for money

*American Express

***31%**

of UK shoppers prioritise quality, with more than half of Gen Z and Millennials (54%) and 43% of 25–34-year-olds putting more emphasis on it

*Ideagen

***62%**

of UK shoppers believe they have seen a dip in the quality or size of products as retailers grapple with supply chain challenges

*American Express

The art of unboxing and social media influence

Turning to social media to guide them in the digital realm,
*** 87%**
of people now use social platforms when making a shopping decision with **55%** of smartphone shoppers purchasing a product after seeing it on social media

*Modern Retail

*** 49%**
depend on influencers to make recommendations

*Digital Marketing Institute

The big reveal
*** 62%**
of unboxing video viewers were interested in the video because they were planning to purchase the product being unboxed. With over half of under 35s in the U.K. saying they use short-form video to seek product inspiration

*Internet Retailing & Think with Google

*** 1 in 3**

consumers in the UK spend time gathering product inspiration just for fun. With **74%** stating they will search online before buying. Google has also reported an upward trend in users searching 'which is best' and 'reviews and ratings'

*Think with Google

*** 82%**
of people have been convinced to buy a product or service by watching a video

*Wyzowl

- The importance of the packaging itself in the unboxing experience is high, with nearly half of UK shoppers thinking so *Internet Retailing

Consumers crave convenience

*** 60%**
of consumers say a convenient shopping experience remains a high priority and with **65%** valuing businesses that accommodate last-minute purchases and quick delivery, retailers need to keep a positive customer experience front of mind to stay ahead of competitors

*American Express



Convenient commerce that packs a punch for consumers and businesses:

According to American Express, offering a winning customer experience both in-store and online should also be front of mind as consumers continue to prioritise convenience in their shopping experiences. With so much choice available, consumers are willing to research different products and solutions in a bid to find those that are most tailored to their needs and/or values. To offer these elevated customer experiences and future-proof businesses, brands should:

- **Emphasise the overall value and benefits of an item not just offer a competitive price.**
- **Invest in sustainable practices to align their values with those of their customers.**
- **Improve supply chain issues and make supply chains more sustainable.**
- **Excite and entice their customers through unboxing experiences shared on social media.**



Smurfit Kappa eCommerce Packaging Partner Success Stories

[Custom clothing packaging boxes for Dryrobe®](#)

[Water-resistant international shipping boxes for Suzannah London](#)

[Social media friendly eCommerce packaging solutions for Rareboots4u](#)

[Overcoming Amazon packaging challenges for Hawkestone Brewery](#)

[Helping pet brand Naturediet reduce costs with cleverly designed packaging](#)

[Amazon certified eCommerce packaging for Closer Pets](#)



Food & Drink

In today's landscape, consumers increasingly seek sustainable, convenient, and transparent food and drink options, prioritising both emotional and physical health. As they navigate modern life's challenges, the pursuit of happiness, including ethical and responsible choices, becomes key. In 2024, this trend will emphasise nutrition and ethical production in the food and drink industry, opening new opportunities and drive emphasis on sustainable packaging.

Compelling consumer insights:



Hungry for more: The rise of the subscription box...

According to Statista, in 2022, the revenue of the UK meal kit market was estimated to be worth **\$1.5 billion** and is predicted to continue growing, with Whistl saying that grocery retailers predict a further **30% increase** in new sign-ups to subscriptions over the next 12 months, meaning there are plenty of opportunities for food and drinks brands to compete in this area.

- Food is currently the most popular subscription box category in the UK, with **26% of UK shoppers** signing up for food, meal, or drink subscription boxes. Of those that use food subscription boxes, **over a quarter (27%)** rely on them for at least half of their meals. *The Billington Group

Leading the way: Ready to Drink (RTD)

With the **cost-of-living crisis**, consumers are seeking **affordable and convenient alternatives** to help fulfil their lifestyle goals and opting for ready to drink (RTD) products that cost less than going out and aid nutrition, delivering added nutritional health benefits that support gut, cognitive and sleep health for busy and stressful lifestyles.



A thirst for success through sustainable packaging...

Brands, recognising consumers' evolving tastes and demands, understand the **vital role of innovative packaging in standing out in today's competitive market**. Successful adaptation involves not just distinct packaging designs but also compliance with legislation, addressing supply chain challenges, commitment to sustainability, and enhancing the consumer experience. This multifaceted approach will be crucial for future success.

Smurfit Kappa Food & Drink Packaging Partner Success Stories

Food

[Sustainable thermal insulated packaging alternative for Borough Broth](#)

[Thermal insulated packaging solution for Mindful Chef](#)

[High end sustainable packaging for Rausch Recipe Kits](#)

[An elegant food packaging solution for Wild Radish](#)

[Tomato cardboard packaging for Isle of Wight Tomatoes](#)

[Realising the Cheese Geek's packaging vision with crash lock boxes](#)

Drink

[Bright and bold gin gift packaging for Horseshoe Gin Distillery](#)

[Making a splash with eCommerce packaging for Niche Cocktails](#)

[A new 'craft look' for Chivas Brothers Aberlour single malt whisky packaging](#)

[Cushion pad protection for MicroBarBox drinks gift packaging](#)

[Celebrating a decade of Bag-in-Box® packaging for Sandford Orchards Cider](#)

[Crash lock packaging rebrand for Hattingley Valley](#)



Health, Beauty & Wellness

The Health, Beauty and Wellness sector is booming thanks to stressed and fatigued consumers wanting to take their health and wellbeing more seriously. With uncertainty being the only certainty, consumers are empowered to take more control. The health and wellness sector has grown to cover everything from at-home beauty treatments to at-home blood testing kits and from nutrition to stress reduction.

Compelling consumer insights:



A catalyst for creativity...

The health and wellness industry growth rate is 10% and is forecast to continue at this pace until 2025. *Wellness Creatives. A more crowded marketplace calls for brands to be more strategic in how and where they compete but also opens opportunities to get creative and use their packaging as a powerful vehicle for differentiation.

Smurfit Kappa Health & Wellness Partner Success Stories

[Cutting costs and boosting brand awareness for Equi London](#)

[Sustainable eCommerce beauty packaging for Paula's Choice](#)

[Health & beauty packaging for Hawkins & Brimble](#)

[Beauty gift packaging for Liz Earle shortlisted for UK Packaging Awards](#)

[Cosmetic packaging boxes with self-seal for MESSIAH & Eve](#)



Top Trends 2024

So, what are some of the key trends that will be shaping the packaging industry in 2024?

Be sustainable as standard...

Businesses that embrace sustainable practices not only contribute to a healthier planet but also build trust and loyalty with consumers, ensuring long-term success in an increasingly conscious market where sustainability is expected as standard. It's more than being environmentally responsible; it's a strategic move for a thriving and sustainable future. Focus on transparency, clear on-pack messaging and eliminating harmful materials from supply chains will be key to success.

Tell a story...

Packaging will be an essential tool when it comes to brand storytelling.

It's about creating an emotional connection with consumers. By narrating a brand's history, values, or the origin of ingredients, packaging transforms from a mere container to a powerful communication tool that gives meaning to customers. In a competitive market, packaging that tells a compelling story sets a brand apart and can influence future sales. Moreover, with consumers valuing sustainability, packaging that communicates a commitment to eco-friendly practices enhances a brand's appeal. **Looking forward, the trend of using packaging for storytelling is likely to continue shaping consumer relationships and influencing purchasing decisions.**



Communicate clearly & honestly

In the era of information overload, consumers seek transparency and honesty, and the ability to read and understand on-pack messaging clearly and effectively is crucial for brand loyalty.

***32%**

of consumers state that clear, consistent messaging is a requirement and not just a nice to have

*Forbes.

***40%**

of consumers look for businesses that show authenticity

*GWI

***88%**

of consumers who trust a brand will buy again

*Deloitte

UK consumers are reportedly willing to spend ***44%**

more on average with retailers they trust

*Retail Insight Network

As consumers navigate their busy lives, simplified packaging becomes essential, providing them with the necessary information without overwhelming them. Honest and straightforward packaging that delivers key messages will be pivotal in building trust and meeting the needs of today's discerning and time-pressed consumers.



Be interactive...

Embracing technology, such as NFC (Near Field Communication) that enables communication between two electronic devices over a distance of 4cm or less, QR codes, and smart labels, is vital for brands to optimise the potential of their packaging and future-proof business, by enabling end users to access key product information, sustainability credentials or a compelling brand story by simply tapping their phone or scanning the pack.

- In a recent survey (March 2023), **over half of brands** consider smart packaging important for educating customers. *Packaging News 2023
- **88%** were planning on implementing interactive packaging in future. *Packaging News

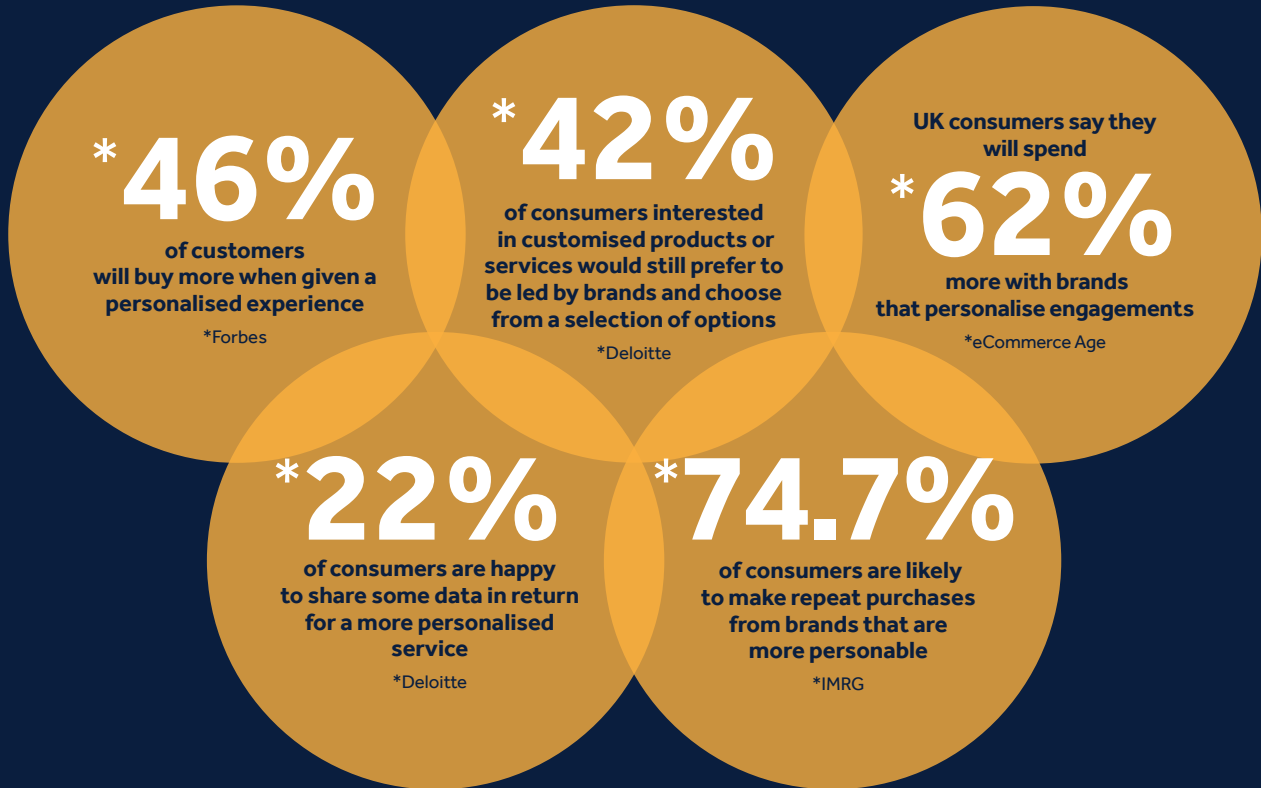
As we explored in our Half Yearly Insights Report (July 2023), this tech-forward approach enhances customer engagement and information delivery and, alongside AI and the Metaverse, is transforming daily life, promoting sustainable supply chains, and creating interactive, blended physical-digital shopping experiences, with packaging taking centre stage as an essential touchpoint and tool for driving engagement.

- **Global shift:** The shift towards virtual realms is evident, with **69%** of global shoppers (**53% in Europe**) favouring brands in the Metaverse, and **60% (50% in Europe)** showing interest in Augmented Reality (AR) shopping experiences *LinkedIn.
- **85% of GenZ are aware of Metaverse platforms** *Attest
- **86% of consumers approve of brands using artificial intelligence in 2023** *Forbes
- On the flipside, **47% of UK consumers** who are concerned about the increasing prominence of AI are specifically concerned about having to interact with AI more than people (e.g. customer service, emergency response) *Mintel
- The Physical & Digital Effect: **40%** of Boomers say they now 'mostly or always' shop in-store. Vs younger shoppers who still favour online with **42.7%** GenZ and **49.7%** Millennials 'mostly or always' shopping online *Attest
- **55%** of consumers said they shopped in stores that created engaging experiences *Euromonitor

As we delve deeper into the technological sphere, according to Mintel, consumers and businesses will learn to balance the use of this emerging technology with physical in-store interactions, and consumers will begin to appreciate what makes humans so unique - emotions, empathy, creative ideas, and the desire to connect with fellow human beings. To strike a balance between progress and preservation, brands and consumers will increasingly seek out uniquely human elements as a contrast to algorithms. It will be imperative for brands to implement reliability, trust, and authenticity into the integrity of their identity and vision.

Make it personal...

In an era driven by social networks and digital connectivity, consumers play an active role in shaping their preferences, seeking personalised services, and influencing product development. The advantages of offering customised experiences extend beyond satisfying consumers to providing businesses with valuable insights for future strategies.



Personalisation cultivates brand loyalty, stimulates increased purchasing, and allows companies to adapt to evolving consumer preferences, positioning them for sustained success in a dynamic market landscape and packaging has a key role to play in this area.

As we enter 2024, navigating uncertainty is the only certainty. Brands must swiftly adapt, embracing sustainability as a standard, integrating interactive technologies with a personal touch and join the global shift towards transparent and immersive practices. Simplified packaging with clear messaging and an emphasis on storytelling will be crucial. **Businesses need to connect with consumers on a deeper level, aligning with their values. Embracing these changes presents opportunities for businesses to future-proof their operations and establish a meaningful connection with consumers.**

The future is coming - and fast. We're committed to being your trusted and knowledgeable packaging partner of choice, bringing you the latest cutting-edge developments and consumer insights.

For an even deeper dive into consumer and packaging insights, explore our [blog](#), delve into our extensive range of [success stories](#), and don't miss our [compelling street interview series](#), where consumers candidly share their packaging frustrations.

**Ready to discuss a specific packaging project?
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