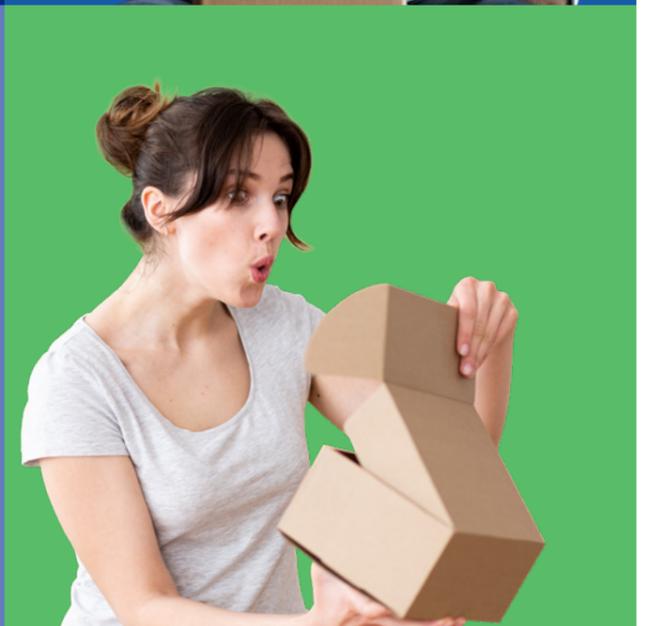


MACFARLANE
PACKAGING

The Unboxing Survey

2022

macfarlanepackaging.com



Lifting the lid on the online shopping experience in 2022

Our seventh annual unboxing survey has lifted the lid on the online shopping experience of over 1,000 consumers during 2022. Throughout July and August, 1,010 people revealed what they thought of the packaging online retailers have been using and how it can affect their shopping habits.

The survey was conducted after several unprecedented years for retailers and shoppers. 2022 saw more stability return to the retail market as consumers were once again able to visit high street stores, as well as shop online. This year's research aimed to find out if companies are using the right amount of packaging and if retailers are maximising opportunities for branding on packaging. The survey also evaluated customers' perception of, and attitude to, eco-friendly packaging.

Findings from this year's survey echo trends that we identified as emerging last year, such as eco-conscious consumerism, and shines a light on how packaging can influence shopping habits.

In this report we will explore:

- The changing face of online retail and packaging – what's changed in the online retail and packaging landscape since we launched the UK's largest unboxing survey?
- The role of branded packaging – making the most of a 100% open rate – does transit packaging influence consumer buying? How important should it be in the digital to physical customer journey?
- The future of sustainable packaging and retailers taking planet-positive action – what's next for eco-friendly packaging materials and how can online retailers use packaging to support planet-positive action?

What sectors does our unboxing survey cover?

The 2022 unboxing survey saw respondents review packaging from an extensive range of sectors, from fashion and homeware through to pets, electronics, industrial goods and more! This year 70% of responses were related to the four following sectors:



Online shopping falling back towards pre-pandemic trend

Source: Office for National Statistics

Paradigm shift

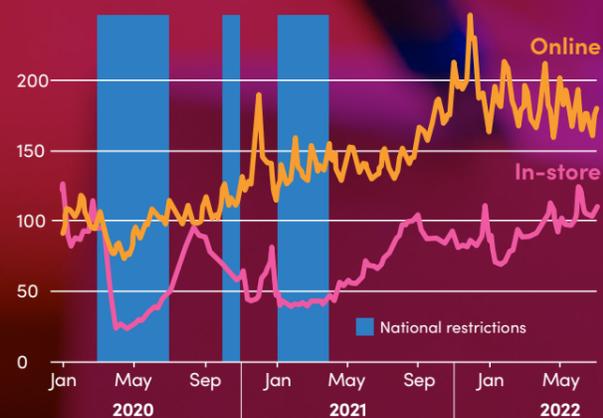
How online retail is transforming packaging



In the seven years since we launched the UK's largest annual unboxing survey a lot has changed. Online retail has seen huge growth, and in the last three years has vastly overtaken in-store retail.

This was largely accelerated by lockdown restrictions, with our own 2021 unboxing survey reporting that 88% of shoppers spent more time shopping online, with a whopping 64% saying they expected the change to be permanent.

Fast-forward 12 months and online spending has dropped slightly but remains well above pre-pandemic levels. This year, 78% of survey respondents said that they spent more time shopping online in the past 12 months, although only 28% expected to shop online more in the future – reflecting the trend that consumers aren't spending as much time online this year.



Online spending has dropped in recent months

What's changed about online retailers use of packaging?

Macfarlane's first unboxing survey was published in 2016 to assess the appropriateness of the packaging used for online delivery. The 2016 survey revealed that almost one in three (30%) of parcels despatched by UK online retailers could be improved, with as many as 10% containing damaged contents because of inappropriate packaging.

Fast forward to 2022, we are seeing that online retailers have made significant improvements to their packaging as well as the online experience for their customers.

What consumers thought of online retailers' packaging in 2016

39% of packaging was branded

41% of retailers were using too much packaging

10% of products arrived damaged

When we look at the same measures in 2022, we find...

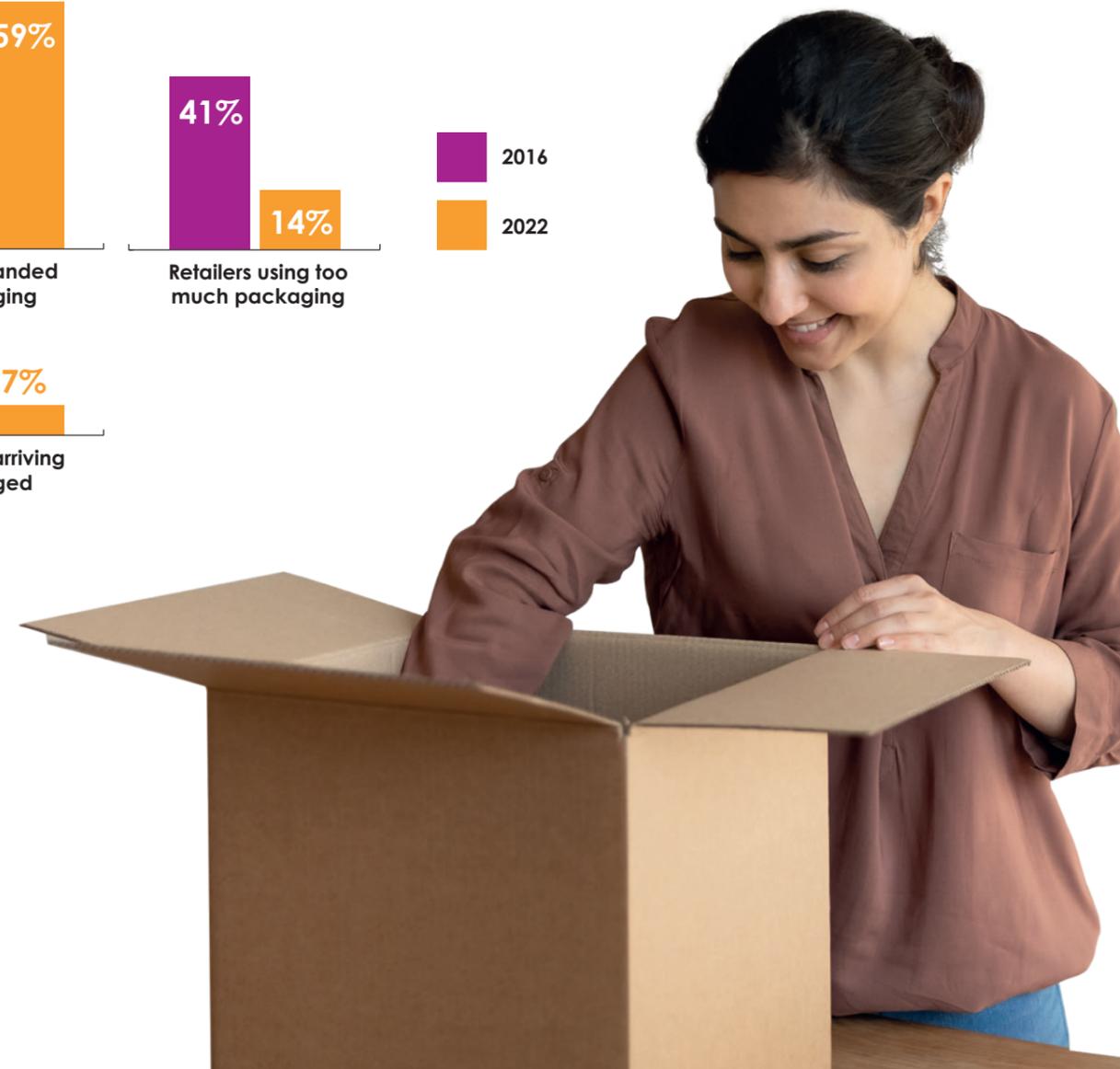
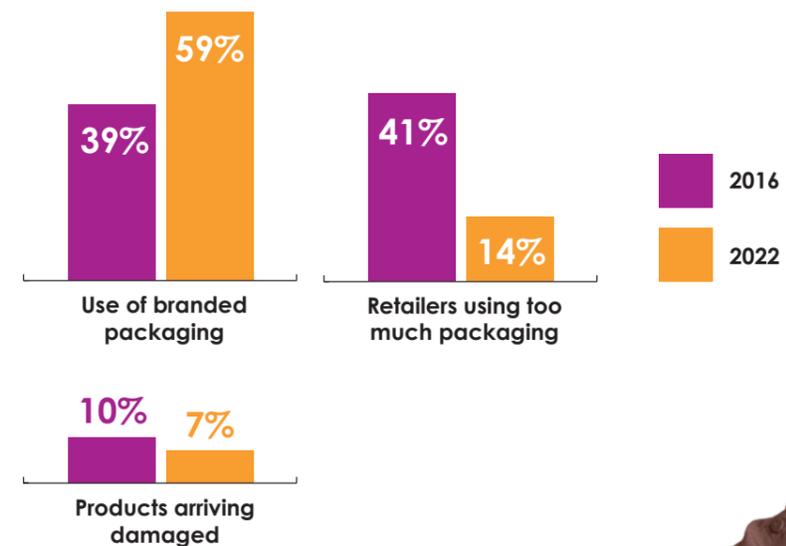
59% of retailers are using branded packaging

14% of retailers are using too much packaging

7% of product is arriving damaged

Retailers are learning from their customers' feedback. Overpacking was a huge irritant, and retailers have clearly noted the link between branding and customer loyalty. The damage reduction stats are more complex. The number of goods arriving damaged increased during the pandemic, as supply chains felt the pressure, but have been steadily falling since.

Key changes in retailer priorities over the last seven years



100% open rate

Why branded packaging is a must for modern businesses

Transit packaging has a 100% open rate. This distinguishes it from all other forms of marketing media and offers online retailers an unparalleled opportunity to connect their customers' digital and physical brand experience.



61%

61% of consumers get MORE excited about a parcel arriving if the packaging is branded

Source: Bouvier Kelly

52%

52% of consumers are likely to purchase again from a retailer if their delivery arrives in premium packaging

Source: eDelivery

40%

Customer loyalty can increase as much as 40% when personalization is used on packaging

Source: Konica Minolta

The above statistics are from the independent sources cited



59%

59% of packaging was branded in 2022



41%

41% of consumers report branded packaging encourages them to purchase again

A branding opportunity you can't afford to miss

These latest findings put a spotlight on how important it is for retailers to make the most of the branding opportunity packaging presents. In fact, packaging is often the largest self-owned media channel for many brands.

Packaging, customer experience and brand loyalty go hand in hand: packaging clearly impacts brand perception, as the figures at the top of the page make clear.

Online retailers who aren't branding their packaging yet should consider opting for custom printed packaging in the future.

This will be even more important for businesses trading in sectors where branded packaging plays a key role in providing a positive unboxing experience and influences the decision to repeat purchase.



The top 5 industries that use branded packaging

- Floristry **92%**
- Fashion **75%**
- Food & drink **64%**
- Health & beauty **62%**
- Jewellery **58%**

65%

65% of UK respondents to a Sharp End survey said they would be happy to use connected packaging*



Connected Packaging

Connected packaging is packaging that has been printed with QR codes, barcodes or images that can be scanned with a browser based app to connect consumers to relevant content or experiences.

Experiences can range from a link to a web page right up to launching an augmented reality event.

Connected packaging can take your branded packaging to the next level and provide a truly rich, immersive unboxing experience.

* Sharp End is a digital marketing agency



Your customers have decided

The future of packaging is sustainable

Last year, we highlighted the rise of the eco-conscious consumer – and this trend shows no signs of slowing down.



11%

of consumers weren't sure they could recycle the packaging they received



27%

of consumers won't purchase from a retailer if their packaging isn't sustainable



This year, over 25% of our respondents said they wouldn't buy from a retailer whose packaging wasn't sustainable. Year on year, this is an 8% increase, and we expect it to continue to grow.

Positively, we've seen an increase in the volume of packaging survey respondents were able to recycle. In 2022, 81% reported the packaging they received was easy to recycle, vs. 73% in 2021.

This is a significant improvement and one we have seen trend over the years since we started our unboxing research. During our initial surveys around 40% of retailers were using recyclable packaging – this has doubled in the last four years.

However, there's still room for improvement. 11% of consumers reported they weren't sure if they could recycle the packaging they received. While this is a 3% decline vs. our 2021 results, it still demonstrates the importance of clear recycling labelling on packaging.

Eco-friendly equals business friendly

All these results shine a light on how many online retailers have been taking planet-positive action when it comes to their packaging materials. We see this reflected in our enquiries day to day – we've seen a big shift towards retailers and other businesses requesting packaging made from renewable materials like paper, as well as opting for recycled content products.

Coupled with the growing influence of sustainable packaging on consumer purchasing behaviour, it makes sense for more and more retailers to ensure their packaging is eco-friendly. Long term, we expect online retailers to shift increasingly to recycled content and recyclable materials, as well as explore reusable solutions, in the quest to minimise their impact on the environment.

78%

of consumers reported in the 2022 survey that they believed the packaging they received was sustainable



81%

reported the packaging they received was easy to recycle



The verdict

What the 2022 results mean for retailers



59%
59% of retailers are using branded packaging



7%
Happily, only 7% of products arrived damaged in 2022



14%
14% of retailers are still using too much packaging



27%
27% of customers won't purchase if the packaging isn't sustainable



41%
Say branded packaging encourages repeat purchases



40%
The amount customer loyalty can increase by if packaging is personalized*

*Source: Konica Minolta

Consumer expectations are on the rise. So, for online retailers to stay ahead their packaging must deliver not just their product, but also a successful brand interaction and customer experience. They must also ensure it minimises their environmental impact.

Sustainable packaging

Sustainable packaging is now a must for retailers. It is becoming an essential component in the unboxing experience and is already affecting consumer purchasing decisions. So, improving the recyclability of packaging and choosing recycled content materials will be critical. As will the decision not to over use these materials when packing.

Because retailers need to be mindful of the balancing act between product protection and excessive use of packing product, the right packaging solution is key.

Intelligent design plays a big role in delivering a good unboxing

experience, as does the use of advanced packaging materials like performance cardboard, or packing automation, which makes packing more efficient and reduces damages.

Branded packaging

Branding on packaging also has a big influence on consumer perception and buying behaviour. More retailers should be taking advantage of this opportunity. It's a chance to set your unboxing experience apart and align the digital and physical customer journey, with options like connected packaging in addition to regular print to really gain a competitive edge.

Supporting your growth

How Macfarlane Packaging can help

We have an extensive range of sustainable packaging solutions.

Our huge range of packaging materials has been designed with sustainability in mind. We have options that are recyclable and contain recycled content.

In fact, we've made a commitment that by 2025 at least 90% of our products will contain some recycled content. We're also aiming for a minimum of 90% to be fully recyclable within the same time frame.

Whether you're a retailer who wants an "off-the-shelf" solution or a custom packaging design, we can ensure your packaging helps you achieve your sustainability goals.

We have the tools and facilities to help you deliver a memorable unboxing experience while controlling the cost of your packaging.

We've invested in tools like our Packaging Optimiser and facilities like our Innovation Lab to help you make the most of your packaging, while managing costs (to you and the environment).

Our Packaging Optimiser can help to identify what packaging is really costing your business and the planet. It illustrates both financial and carbon emission savings that a switch in your packaging solutions could deliver.

We have the experts and infrastructure to support you on your packaging journey.

With international infrastructure across the UK, Ireland, and Continental Europe, including our own distribution centres, delivery fleets and in-house team of retail and 3PL experts, we're well positioned to support you as your business grows.

Our team are here to help you deliver the best unboxing experience possible, considering every stage from packaging material analysis, to packing process improvement and through to customer delivery.

To find out how we can help you deliver a memorable unboxing experience while reducing your packaging costs, contact us at:

macfarlanepackaging.com

contactus@macfarlanepackaging.com





To find out more about
The Unboxing Survey 2022
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