DOES ECO FRIENDLY PACKAGING REALLY MATTER TO CONSUMERS? RECYCLABLE, FAIR TRADE, GREEN, GRASS FED, AND CARBON NEUTRAL.

It seems that on every package in the grocery store, there is a claim about eco-friendliness. Whether it's where the product is sourced from to the packaging and even to the product itself, it's everywhere.



THIS IS ABSOLUTLY A STEP IN THE RIGHT DIRECTION, BUT WITH CHANGE COMES VERY LEGITIMATE QUESTIONS.

Brands and retailers want to be confident that consumers notice and understand their commitments, and most importantly, that these changes will contribute to sales. For their part, consumers want to be confident that their actions and the brands they choose to support are truly helping the environment.



In recent years, consumer awareness of environmental issues has grown exponentially and <u>consumers are prioritizing sustainability in their</u> <u>purchasing decisions</u>. Not only are they seeking more sustainable products and brands, but they are also willing to pay more for these options. Consumers are cautious of greenwashing. Preference goes to claims that are transparent, verifiable, and backed by credible certifications.

^{*&}lt;u>https://www.mckinsey.com/industries/consumer-packaged-goods/our-insights/consumers-care-about-sustainability-and-back-it-up-with-their-wallets</u>



of consumers look for products that can help them live a more sustainable and socially responsible life.

of consumers buy products and services from companies that are socially and/or environmentally responsible.





of consumers try to purchase products from brands that take a stand on social or environmental issues.

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tend to purchase products and services from high purpose brands more than from their low purpose competitors. Legislation around single-use plastics and the introduction of Extended Producer Responsibility (EPR) programs that require producers to take financial responsibility for their packaging waste are also pushing brands towards more environmentally friendly packaging options – and consumers are looking for them on store shelves. Shifting to sustainable packaging presents both challenges and opportunities.

Changing packaging structures and formats can be expensive and logistically complex. Updating packaging designs to accommodate new labelling and other claims can be time-consuming and complicated. The growing push for corporations to take accountability for their environmental impact and publish Environmental Social Governance reports is making these changes necessary. Often the benefits of switching to sustainable packaging, including reducing greenhouse gas emissions, can offset any initial costs. There is also the potential to improve consumer loyalty while capturing new market share with a truly eco-friendly option.



EVIDENCE SUGGESTS THAT CONSUMERS DO CARE ABOUT ECO-FRIENDLY PACKAGING AND SUSTAINABILITY CLAIMS.

They are increasingly educated on environmental issues and believe that brands and retailers should be taking steps to offset some of their negative impact on the climate and environment. Consumers are willing to back up these beliefs by not only purchasing sustainable, but also to pay a premium for them.

As concerns about the environment continue to grow, the importance of sustainable packaging will only increase. Brands that proactively address these concerns and align their values with those of their customers are likely to thrive in the changing landscape. This is not a passing phase, but a shift in consumer behavior that will shape the future of the CPG industry.

<u>Tempo Flexible Packaging</u> is an industry-leader in sustainable packaging solutions. Our team of experts can help you discover an option that best suits your needs.



