



FPA Flexible Packaging
Association

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OPERATIONAL EFFICIENCY AND CONSUMER APPEAL.

FPA Flexible Packaging Transition Advantages Study

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INTRODUCTION

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Flexible packaging is providing **brand owners tangible benefits like enhanced operational efficiencies and increased sales.** In addition to the benefits brand owners are seeing, flexible packaging has gained popularity among consumers, who are seeking packaging options that fit their on-the-go lifestyles.

The Flexible Packaging Association commissioned a Flexible Packaging Transition Advantages Study to better **quantify the impact of switching from non-flexible packaging to flexible packaging.** The study integrates insights from brand owners surveyed online in September 2016 by *Packaging World*¹ and insights from consumers surveyed online in September 2016 conducted by Harris Poll.²



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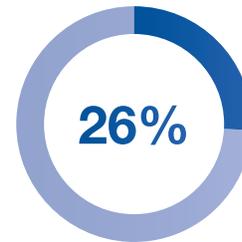
THE FUTURE IS FLEXIBLE

THE FUTURE IS FLEXIBLE

For brand owners, innovative packaging is about the tangible benefits they see in sales and operations. A recent survey by *Packaging World*¹ commissioned by FPA shows more and more brand owners are taking steps to realize the operational benefits associated with switching to flexible packaging.

The study shows **83% of brand owners are already using flexible packaging. Survey findings suggest the trend of shifting to flexible will continue, as 58% of brand owners who have switched to flexible said they intend to use a higher mix of flexible packaging** in the next five years.¹

In the last 5 years, brand owners have:



Switched to higher mix of or entirely to flexible packaging

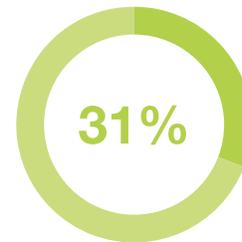


Switched to a higher mix of or entirely to rigid packaging

How would you describe your company's packaging approach over the past five years?

Packaging World survey of brand owners¹

In the next 5 years, brand owners expect to:



Switch entirely or to a higher mix of flexible packaging



Switch entirely or to a higher mix of rigid packaging

What do you anticipate will be your company's future packaging approach in five years?

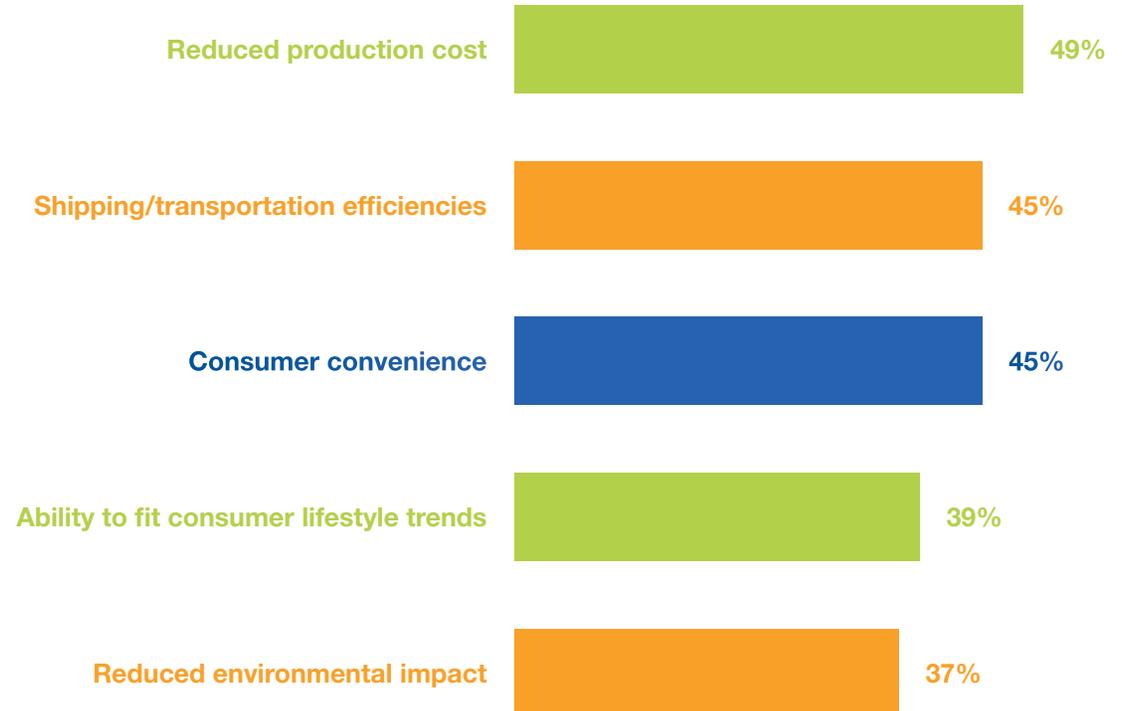
Packaging World survey of brand owners¹

THE FUTURE IS FLEXIBLE

Brand owners who participated in the *Packaging World* survey¹ commissioned by FPA cited **operational benefits and the ability to meet consumer needs as key reasons they have transitioned from rigid to flexible packaging.**



Top 5 reasons brand owners increased use of flexible packaging over the past 5 years:¹



If you have increased use of flexible over the past five years, what influenced your decision?

Packaging World survey of brand owners¹ (respondents could choose more than one answer).



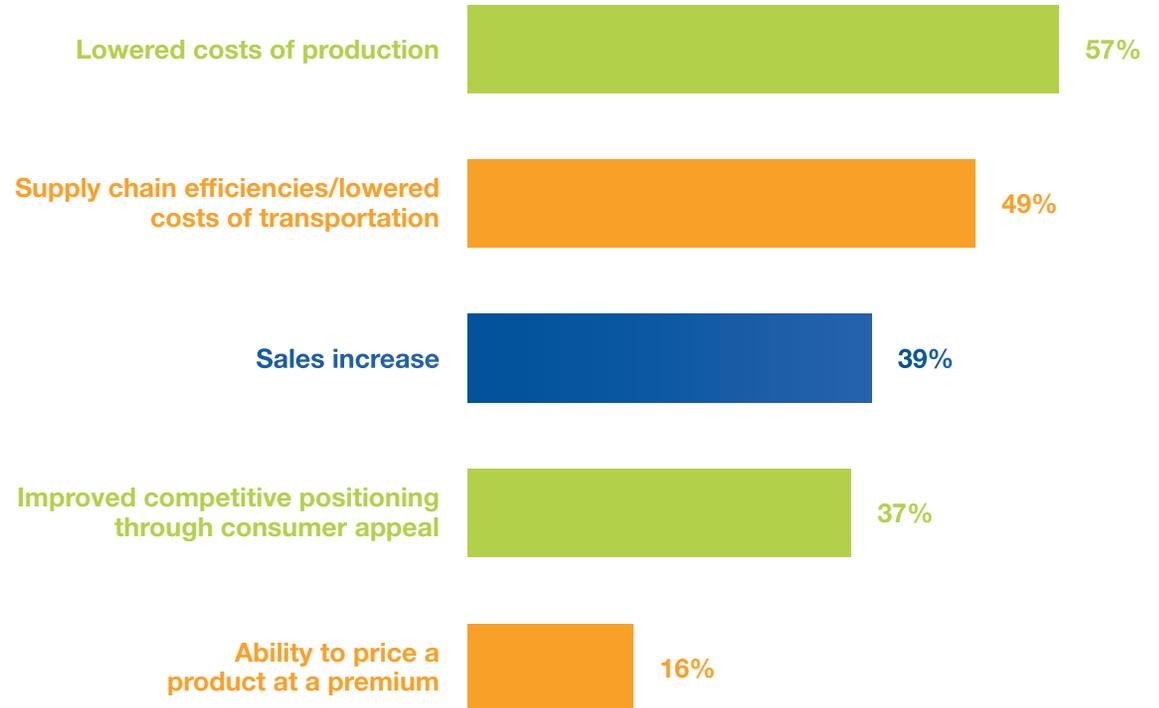
INCREASED SAVINGS AND SALES

INCREASED SAVINGS AND SALES

Brand owners who reported they switched to using more flexible packaging did, in fact, see **more operational benefits after making the switch.**¹



Brand owners who switched to flexible packaging in the last 5 years experienced:¹



If you have increased use of flexible over the past five years, what were the business benefits achieved?

Packaging World survey of brand owners¹ (respondents could choose more than one answer).

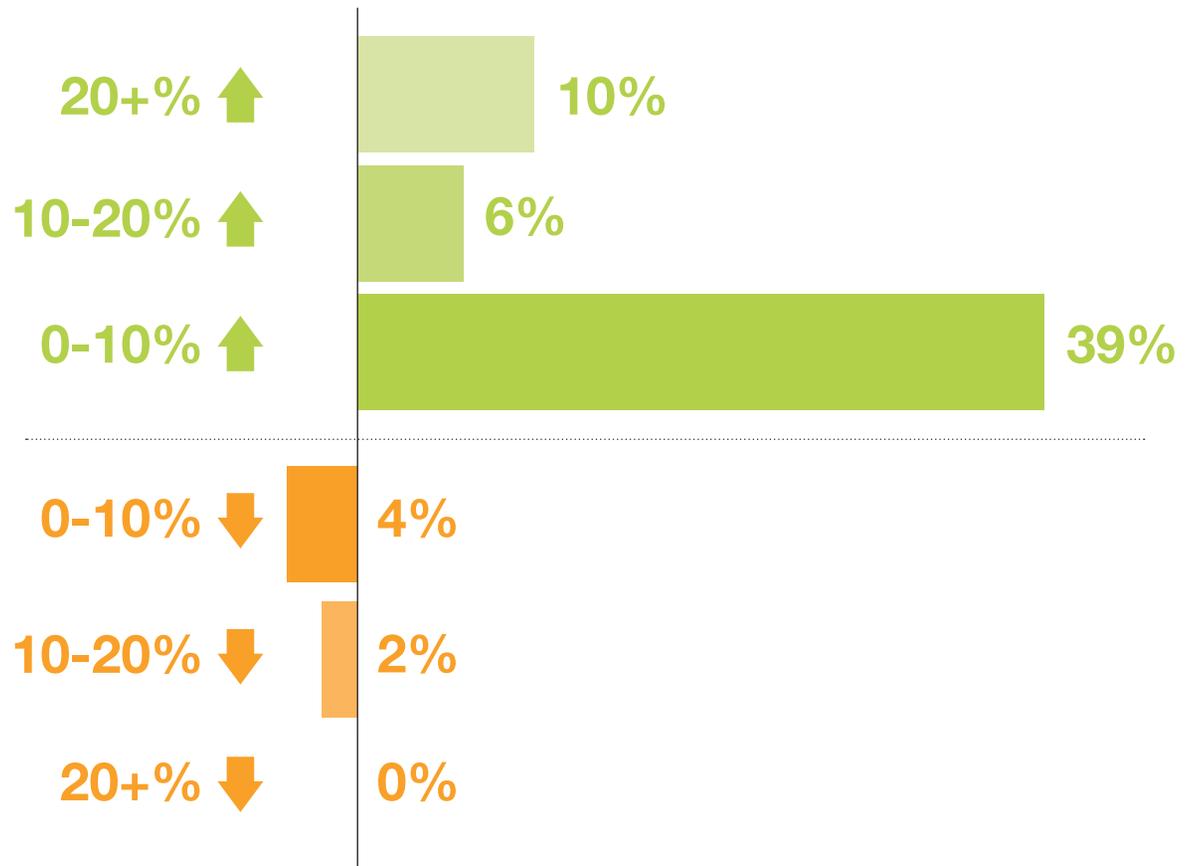
INCREASED SAVINGS AND SALES

When asked *directly* about sales impact, **55% of brand owners said they saw a sales increase.**

This includes respondents who saw even a slight improvement in sales and may not have associated sales as one of the top benefits when listed among others.¹



Impact on Sales



If you have increased use of flexible over the past five years, what was the impact on sales?

Packaging World survey of brand owners¹ (respondents could choose more than one answer).



**CONSUMERS PREFER
FLEXIBLE OVER RIGID**

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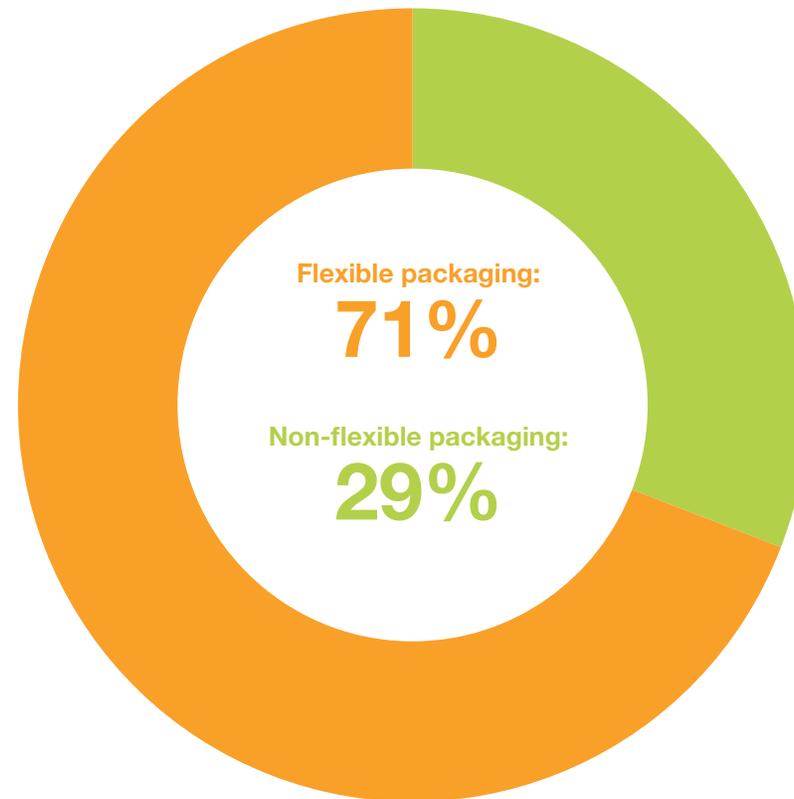
Brand owners experiencing the operational benefits flexible packaging offers are also meeting consumer demand. In a survey of consumers conducted by Harris Poll and commissioned by FPA,² **the majority of consumers said they prefer flexible packaging over non-flexible packaging.**



Interesting Fact:

81% of 35-44 year-olds said they **preferred flexible packaging over non-flexible packaging.**²

When given the choice between the same product in different packaging, consumers prefer:²



If you had to choose between different packaging for a product you were considering purchasing, which of the following would you most prefer? (When answering, please assume the product is exactly the same and only the packaging type differs).

FPA survey conducted by Harris Poll²

CONSUMERS PREFER FLEXIBLE OVER RIGID

On average, Americans are **willing to spend more for food products stored in flexible packaging.**²

46% of consumers are willing to pay more for food stored in flexible packaging than for food stored in non-flexible packaging.²



On average, Americans are willing to spend 10.3% more for food in flexible packaging²



Parents of children under 18 would be willing to pay 17% more²



Americans ages 18-34 would be willing to spend 17.2% more²



Americans ages 35-44 would be willing to spend 15.5% more²

What percentage more, if any, would you be willing to pay for food products stored in flexible packaging than you would for food products stored in non-flexible packaging?

FPA survey conducted by Harris Poll²

CONSUMERS PREFER FLEXIBLE OVER RIGID

79% of Americans believe there are benefits to having food products stored in flexible packaging

compared to non-flexible packaging.²

In FPA's 2015 Brand Value Study, consumers said the most important features of food product packaging included:³

- Easy to store (66%)
- Ability to reseal (65%)
- Easy to open (60%)

Features that are most important to consumers are also the features that consumers point to as benefits of flexible packaging over non-flexible packaging.²



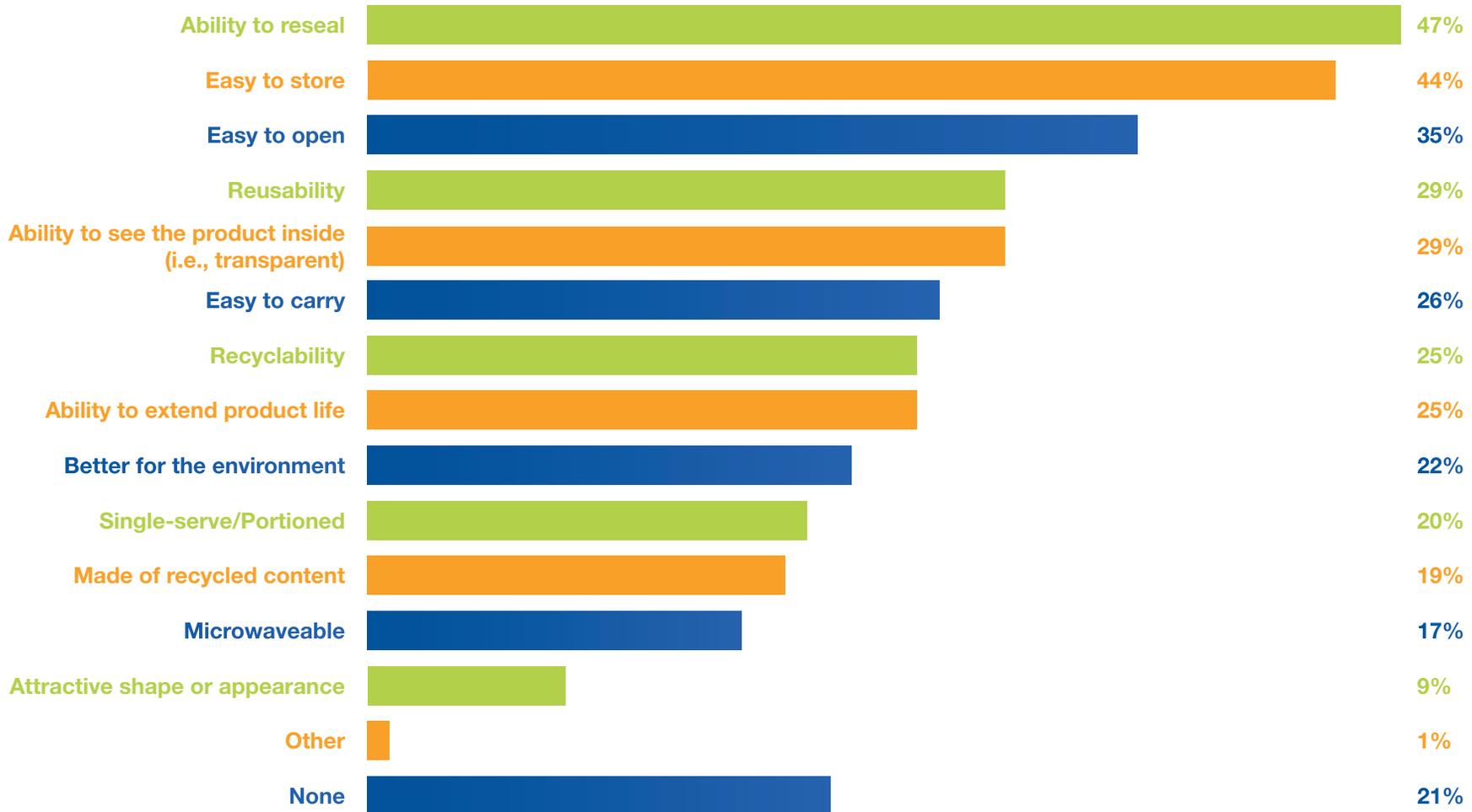
Interesting Fact:

86% of Americans ages 18-34 recognize benefits of storing food products in flexible packaging vs. non-flexible packaging.²



CONSUMERS PREFER FLEXIBLE OVER RIGID

Benefits of food products stored in flexible packaging over the same product in non-flexible packaging, according to consumers:²



What are the benefits, if any, of food products stored in flexible packaging over the same product stored in non-flexible packaging?

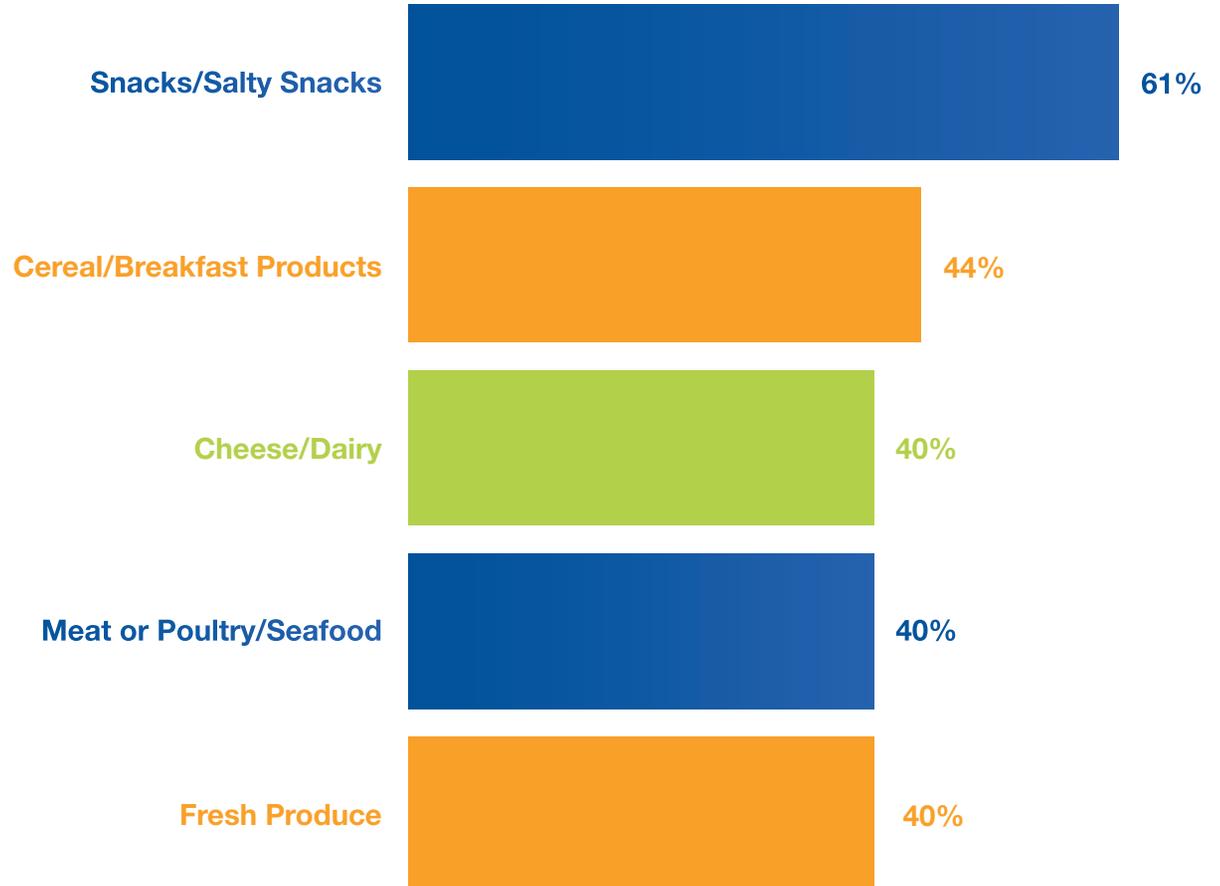
FPA survey conducted by Harris Poll²

CONSUMERS PREFER FLEXIBLE OVER RIGID

When asked which products they would prefer to purchase in flexible packaging instead of non-flexible packaging, **consumers most wanted to purchase snacks and salty snacks** and salty snacks. They also said **they would like to purchase cereal/breakfast products and meat/poultry/seafood in flexible packaging.**²

In FPA's 2015 Brand Value Study, brand owners indicated snacks would be most likely to see the greatest sales growth stemming from advances in flexible packaging.³

Top 5 products consumers prefer in flexible packaging instead of non-flexible:²



Which of the following types of products, if any, would you prefer to purchase in flexible packaging instead of the same product in non-flexible packaging?

FPA survey conducted by Harris Poll²



METHODOLOGY AND INFORMATION SOURCES

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¹*Packaging World* Survey of brand owners

The Flexible Packaging Association commissioned *Packaging World* to conduct a cross-industry survey in September 2016. More than 200 packaging professionals were surveyed for the analysis, representing food and beverage, healthcare/pharmaceutical, personal care, consumer product, industrial, and other industries. Those surveyed represent package developers, package machinery engineers, procurement executives, brand managers, package designers, consultants and sales representatives. Respondents were surveyed about packaging use, preferences and business impact.

To gather responses for this Flexible Packaging Association survey, conducted by *Packaging World*, three e-mail invitations were sent to the publication's e-mail database. Respondents who identified themselves as packaging suppliers were filtered out of the results. This resulted in a net total of 201 product users for analysis.



METHODOLOGY AND INFORMATION SOURCES

²FPA Survey Conducted by Harris Poll

This survey was conducted online within the United States by Harris Poll on behalf of Gibbs-rbb from September 9-13, 2016 among 2,093 adults ages 18 and older and from September 28-30, 2016 among 2,007 adults ages 18 and older. This online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated.

³Brand Value Study

The FPA Brand Value Study integrates primary research of consumers, brand owners, and industry members, plus input from secondary research into one study. The data includes insights from brand owners surveyed online in August 2015 by *Packaging World* magazine, insights from consumers surveyed online in September 2015 by Harris Poll, and insights from FPA members interviewed by Gibbs-rbb in 2015.





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