

5 Things Every Business Needs To Know About Packaging

By JoAnn R. Hines, Packaging Diva



For most people it's so hard to understand the integral role packaging has to play in marketing and selling your product. Put simply, it's one of the most important product decisions you will have to make. There is a universe of packaging suppliers, materials and even regulations. Not to be overwhelmed, it is easy to navigate if you take it one step at a time. It is a process just like any other component in product development. The key is to know which packaging factors will influence your product's success --or failure

Here are 5 vital things you need to know as you start on your journey that packages your product to sell.

1. You can't have a product without a package.

Just think about potato chips and eggs for example. How could you sell them unbroken and undamaged without a package? You have to be able to transport a product from point A to point B. The package is what makes it happen. Even if your product is not fragile, it can't get into the buyers hands in a shopworn condition. Consumers will NEVER buy it.

It's interesting how packaging is evolving. In many cases, there would be no product without the package. Take something as simple as toothpaste. Whether it's in a tube or in a pump the package plays an integral role in making this product work. It is so ordinary that many people never stop to consider this fact: Where would toothpaste be without a package?

So ask yourself these questions: Is your invention going to need a package that is part of the actual product? Or will the packaging be more of a protective device to convey the product?

Whatever the answer might be, it's time to start thinking about how the packaging is going to impact both shipping and merchandising.

2. The package could cost more than what is inside.

The rule of thumb is that the package should be 8-10% of the total cost on average. 10% of every dollar spent at retail is directly attributable to packaging. But that cost can vary dramatically with the product being packaged. The proportion of cost is lower with high ticket items and higher with commodity items as well as products in which the packaging is a bigger component than the product itself.

Let's talk potato chips again. Packaging is a much higher cost in an item like this. You have a few chips and a bag but don't forget that besides the bag there is a master shipping carton that contains the bags of chips. This is one of the hidden costs that many people overlook.

So think about not only the primary package (the one that is going to be seen at retail) but any other packaging materials that you will require to transport, ship or convey your product to its ultimate destination unbroken, not damaged, not tampered with and arriving in pristine condition.

3. Your package has to sell the product not just protect it.

The average consumer spends just 2.6 second making a decision whether to pick up your product or not. So your packaging better be on target to the right audience with the right message. Just stroll through any retail that merchandises similar products to yours. Overwhelmed by the competition? You Bet!

And that's just the beginning. Who is going to buy your product? Do you know? Are you aware of what language, colors, design and packaging materials that appeals to your target demographic? This can make or break whether your product sells or not. Ask yourself who do I want to buy my product and what packaging attributes will appeal to them?

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4. Most packaging materials suppliers require large quantity orders.

It's hard to find a supplier for small quantities. The double edged sword is that you don't have large orders when getting started. The number one question I am asked is how to find a vendor for small quantities. In many cases, this can be a challenge but it is not impossible.

I know you have this exotic design concept on your head that's just going to WOW them at retail. The reality is that in many cases you will have to start with stock packaging items that you can customise. As you get more orders or are able to order in larger quantities you can upgrade your packaging designs.

Don't be discouraged. The stock design world has come a long way with innovative designs and materials. With a little innovation and creativity, you can have that prestige look on a start up pocketbook.

5. Packaging trends and innovations can influence whether your product will ever get onto the stores shelf.

In January of every year, I write a trends piece about where I believe the packaging industry is going for the year. This covers not only the hottest packaging trends and innovations but outside influences that can drive the retail industry. Many influences can be outside of your control. The secret is in knowing what is going to be the 'issue' of the future or what might be mandated as a 'must have' in your product packaging.

There are external factors that can dramatically change what the consumer wants or demands in their product packaging. What do you know about RFID, product integrity and product security, bio resins and bio plastics, environmental sustainability,

smart or intelligent packaging? If you are like most businesses the answer is not much. But these packaging concerns are the wave of the future. Chances are one or more of these factors will be discussed when you try to get a buyer to commit to carrying your product.

Many requirements mandated by big box retailers such as Wal-Mart and Home Depot drive smaller retailers in the same direction.

I'm not trying to scare or overwhelm you with decisions that you are not prepared to make. I am trying to point out a few of the facts you will need to be aware of and consider in product packaging. The time to address these issues are at the point when you prepare your product for market not at the end when many times it's too late.

My expertise can be yours too. I'm your eyes and ears in packaging. I'm tapped in to the latest packaging news. I can help you assess why or not you should consider changing your product packaging build your packaging brand and make your products sell. At the very least I can tell you what your competition is doing.

So bring the PackagingDiva onboard this month and outmanoeuvre the competition before they out manoeuvre you. Return the word Diva to learn how to make it happen!

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