

## The Future of Packaging 2030: Facing critical challenges in the years ahead

### *The packaging sector is not ready for its future*

Demand for packaging is growing worldwide, with packaging sales surpassing the \$1 trillion mark in 2021. So the future for the packaging industry looks bright, right? True, but that's not the whole picture.

Yes, packaging has key roles to play in future product safety, distribution, product protection, innovation, design, and meeting consumer, FMCG and value chain needs. But a truckload of tough issues is barreling down the pike aimed at packaging. The sector has to either get out of the way and develop strategies for change or be flattened.

### Just evolving is not enough

Packaging can no longer just evolve. It has to transform in the face of critical challenges ahead.

The Future of Packaging (FoP) is a one-of-a-kind program. Since 1998, this multi-sponsor program has enabled over 50 vital players across the packaging value chain to navigate shifts in industry and global business and to identify new drivers and trends that impact consumers and technology. FoP brought them the early warnings they needed and the solutions they could use to go forward.

### It's a new story

Today, packaging is greener, more cost challenged, faster to produce, has better barrier properties, and offers new decorative and smart options. But these incremental changes (many still in their infancy) have not fully prepared us for new marketplace expectations. The sector will confront more issues of waste, sustainability, materials safety, and perhaps the strongest headwinds, e-commerce.

So the future will demand more.

### Getting to vision, understanding, clarity, and agility

Through the Future of Packaging program we will guide you through bad VUCA (Volatility, Uncertainty, Complexity and Ambiguity) to good VUCA (Vision, Understanding, Clarity and Agility), enabling your organization to take a more targeted approach to future development and organizational investments.

### Join the Future of Packaging 2030 to:

- Understand how the forces shaping packaging today and tomorrow will influence your business
- Get early warning of longer-term changes that you must strategize for
- Utilize FoP Value Chain roadmaps and strategies for future success
- Face the future, knowledgeable and prepared

### Packaging faces four central challenges:

#### 1. Keep up in the shifting marketplace

Leading-edge change is coming from new entrepreneurs, new lifestyles, new places, new industries. Packaging must innovate to stay competitive. Private brand, e-commerce, technology advancements and new supply chains for packaging are just a few of the many challenges.

#### 2. Stay aligned with changing consumer demands

Future packaging has to serve at least two kinds of consumers:

- **The guilty consumer** — in mature societies consumers are seeing the dark side, the costs, the long-term impacts, the depletion of resources, wastes and carbon costs of the consumer society, and feeling guilty.
- **The new emerging market consumer** — experiencing the joys and conveniences of a consumer society. Does the industry ensure they make the same mistakes or can packaging help leapfrog them into a greener outcome?

#### 3. Build for a circular economy

Packaging is at an impasse. Over the years it has advanced in design and production, growing ever more beautiful, informative, efficient and protective—up until the time that a consumer admires it, opens it, and throws it away.

Previously that meant job well done! But now we face a difficult situation: those discards are crippling the environment. Of course, it's not just packaging, but packaging is a highly visible player in the public perception of environmental villains. Transparency and doing what's right gets stronger and packaging plays a critical role. We must build a packaging positive future.

We can't keep using unsustainable packaging. We still are a long way from a circular economy, but strategies that move us towards it are what we will need to stem some of the impacts of climate change. Packaging will play multiple key roles.

#### 4. Reshape packaging to manage risk as transparency grows

Packaging teams need to be ready for a different future. Gaining new skills and collaborating with new partners can ensure impressive new successes for packaging.

##### The future packaging organization will (because it must):

- Implement Internet of Packaging (IoP) designs and strategies
- Harness big data effectively
- Serve "Industry 4.0" —the emerging digital economy
- Integrate AI systems in all we do
- Understand and serve the "guilty" consumer
- Assess and compete across emerging markets
- Close the packaging resource loop to help build a true circular economy
- Promote brands and products in a niche marketplace
- Deliver new retail distribution models
- Provide Brand Owners with new options to grow in a new world of commerce
- Deliver new collaborative innovations

#### Harnessing foresight for packaging success

Through keen observations and exploration of critical forces, trends, and outcomes, e.g. exploding population growth in emerging markets and ecommerce growth globally, we can begin to envision what's next (a highly educated, urban, mobile and connected new middle class), and consider the critical outcomes for packaging.

Projecting more than three years out is difficult for organizations, especially in the current economy, but doing so helps shape successful strategies.

#### What is the Future of Packaging program?

The Future of Packaging, an invitation-only, triennial event produced by PTIS and Leading Futurists, LLC, leverages this forward-thinking approach to project a 10-year view of where and how packaging will impact and enable the future.

The program includes three two-day meetings over a nine month period. Futurists and subject matter experts lead the program. Participants collaborate across their industries in a pre-competitive environment that fosters better understanding of emerging issues and how other parts of the value chain engage and are impacted by these issues. Between meetings, participants receive ongoing data and knowledge sharing updates.

Participants are executives from Fortune 500 companies and emerging leaders across the packaging value chain in packaging connected industries, including pharmaceutical and healthcare research and development, food and beverage manufacturing, specialty consumer and industrial packaging providers, hygiene and healthcare products, pulp and paper product manufacturers, software, supply chain outsourcing, and chemical, cleaning and household supplies producers, and more.

#### Insight to action

Bringing the future into focus, the program enables sponsors to envision what's next and plan accordingly.

The Future of Packaging program leverages data and insights to create a focused view of how forces of change will reshape packaging. We deliver:

- Insights on change for each part of the value chain
- Incisive, specific findings for participants to use in their organizations
- Action plans with milestones for three, five and 10-year horizons
- Provocative scenarios portraying change for the sector
- Provide must do actionable deliverables to help you deliver packaging leadership to your organization

#### Some successes from past FoP programs:

- 1998-2008 sponsors realized that "packaging" as they know it, is a part of a larger and more complex system with changes in one part of the system likely to affect all players. And packaging needed a seat at the table.
- 2004-2014 sponsors saw how sustainability would be a significant driver of change. Today, many of the companies leading the way to new achievements in sustainability are alumni of a FoP program.
- 2007-2017 participants identified experiential packaging as a driver well before the concept was influential. They adapted their plans to capitalize on this trend.
- 2016–2026's program revealed a Packaging Maturity Model centering on e-commerce, the Internet of Packaging, and a growing role for the Circular Economy