It's a wrap: The future of packaging is all about sustainability

Consumers are demanding packaging that reflects their environmental concerns

amcor

INTRODUCTION

Because consumers today are more aware than ever of the impact of their choices, they expect to be empowered and guided to make buying decisions that reflect their values.

We have conducted extensive research across several European countries into what those values are, and how consumers develop them. This research looks at consumer attitudes about climate change, plastic pollution and other environmental issues and demonstrates the often confusing and misunderstood links between these environmental concerns and packaging.

In the course of our research we found that the majority of shoppers are keen to play their part in recycling, make more sustainable choices and, in some cases, pay extra to ensure they're doing their part for the planet. But understanding what that means varies from country to country – even from consumer to consumer. Brands can take bold steps to ensure that their sustainability credentials are more broadly understood, in turn creating real impact by positively influencing brand perception and changing consumer behavior.

This research report aims to support you in taking those bold steps by providing tangible consumer insights to influence packaging strategy and action - helping your brand to succeed in the ever-complex sustainability landscape.

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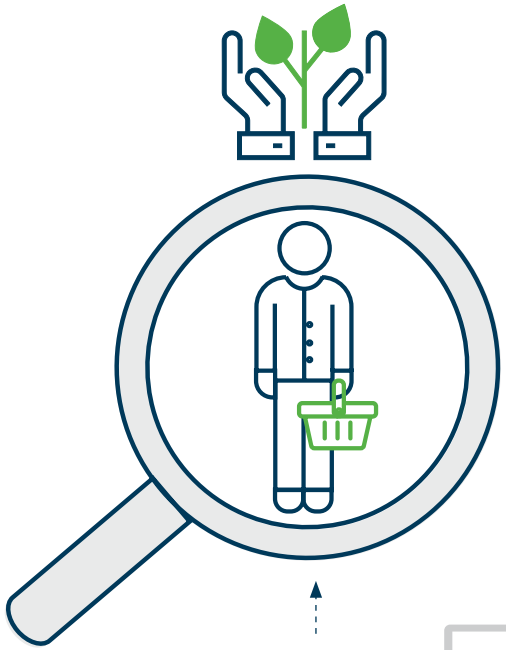
INTRODUCTION

RESEARCH METHODOLOGY

To gain a better understanding of where knowledge, intention and action meet, and to unpack the motivations, needs and frustrations that drive consumer sustainability behaviors, Amcor commissioned three pieces of research:



This research helped us to unpack sustainability through the eyes of the consumer and map behaviors and commonalities of perception. The responses were used to classify each respondent into one of six personas, ranging from passive to proactive, and from low engagement to high engagement.

1°

40 hours Late 2019

In-market immersion

40 hours of in-market immersion during late 2019, in which interviews were conducted with consumers both in their homes, in shops, and out on the streets in Manchester, Lyon and Frankfurt.

2°

2500 consumers FEB 2020

Online survey

An online survey conducted in February 2020 of 2,500 consumers, aged between 18-45, in the UK, France, Italy, Germany and Sweden. Based on the results, we then rated their level of proactivity and engagement towards sustainable actions, such as recycling and lowering their carbon footprint.

3°

1500 consumers JAN 2020

Online survey

In addition to this, during January 2020, an online survey of 1,500 consumers across the same five European countries was conducted to assess grocery shoppers' perception of, and level of engagement with, selected packaging sustainability claims and logos found on FMCG products.

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KEY FINDINGS

KEY FINDING 1

OVER A THIRD OF RESPONDENTS ARE DETERMINED TO MAKE A DIFFERENCE

"Seeing the straw through the nose of the turtle really got to me... I now carry an aluminium straw out with me"
- Grocery Shopper, UK

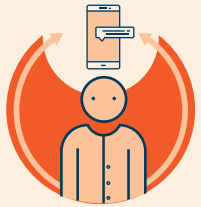
In order to map individual preferences and expectations around sustainability in packaging, brands seek to understand who they're talking to and how to talk to them. By carrying out in-depth qualitative and quantitative research, this research was able to identify six distinct personas, based on a scale of passive to proactive, and from not engaged to highly engaged.

UNCONCERNED CONSUMERS

Disconnected from and indifferent toward sustainability issues

PASSIVE SPECTATORS

Make a change when there is government regulation



SOCIALLY INFLUENCED

Believe what is written on pack and listen to a narrow band of sources

CONVENIENCE SEEKERS

Compare with a less sustainable option and weigh up the benefits vs. costs

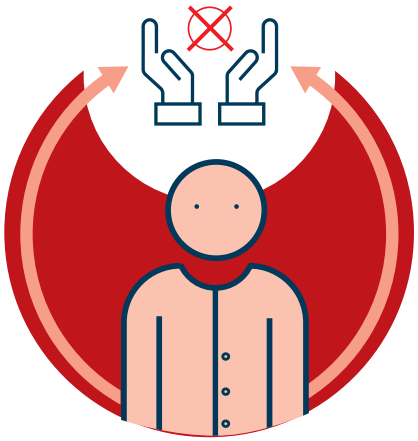
INCREMENTAL CHANGEMAKERS

Make a change when they can rationalize a tangible impact

ECO-WARRIORS

Consistently make decisions based on sustainability

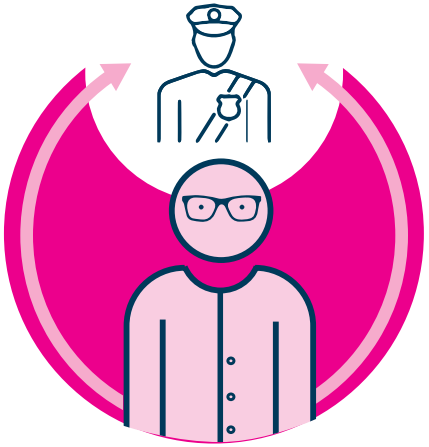
KEY FINDING 1



UNCONCERNED CONSUMERS

Disconnected from and indifferent toward sustainability issues

These consumers do **not take sustainability into account and don't make efforts to change their habits.** This group considers sustainability issues to be exaggerated and do not see any reason they should change their behaviors.



PASSIVE SPECTATORS

Make a change when there is government regulation

They make more sustainable decisions because they have to and as a necessity to function in society (i.e. recycling because the local government provides them with bins to do so and they are fined if they don't). **Sustainability doesn't cross their minds,** therefore, to make an impact with them, any new actions need to seamlessly integrate into their lives, so they don't have to think about it.

SOCIALLY INFLUENCED

Believe what is written on pack and listen to a narrow band of sources

This group rely on things that they read on-pack or information they hear from sources such as social media. They are desperate to make a change, so they tend to revert to drastic actions, but for short periods of time that may ultimately have little impact (e.g. cutting out cow milk and only drinking almond milk - which has its own sustainablility issues). They tend to seek affirmation that they are doing the correct thing and want everyone to know it.

FINDING 1

CONVENIENCE SEEKERS

Compare with a less sustainable option and weigh up the benefits vs. costs

Though engaged with sustainability and understanding of the impact, Convenience Seekers tend only to **make changes based on convenience, ease and fit into their current lifestyle.** They are the type of consumer to go to a supermarket with the aim of buying their standard product, but then decide to spend a few extra cents on one that has more sustainable packaging, if it is the same product. Sustainability has to come to them, they won't go to it.

INCREMENTAL CHANGEMAKERS

Make a change when they can rationalize a tangible impact

These consumers are **highly motivated to make a change and are engaged in the world of sustainability,** however they want to ensure their efforts pay off. They understand that sustainability is a big global issue, but rather than getting overwhelmed, they prefer to take a pragmatic approach and control the world around them by making small changes that lead to small victories.

ECO-WARRIORS

Consistently make decisions based on sustainability

Both highly engaged and extremely active, these consumers are the most concerned with sustainability. **They take sustainability into account in most, if not all, of their decision making.** They are part of associations and actively search for ways to contribute and learn more about sustainability. They are willing to go the extra mile and make sacrifices, for example completely cutting out flying for environmental reasons.

FINDING 1

OVER A THIRD OF RESPONDENTS ARE DETERMINED TO MAKE A DIFFERENCE

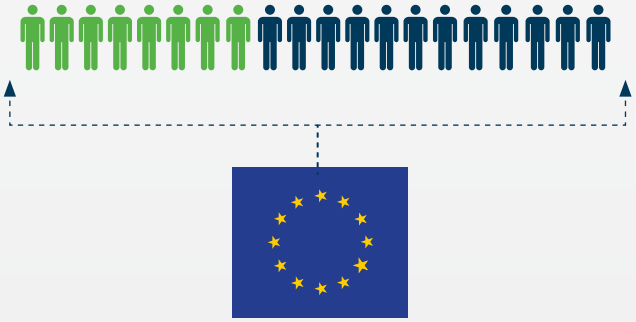
Overall, 37% of all 2,500 respondents in our study across the five European countries fall into the personsa group Incremental Changemakers. This marks them as highly motivated to make a change and engage in the world of sustainability.

These Incremental Changemakers believe that sustainability is a big global issue that requires a pragmatic approach. They are most likely to make small changes in order to attempt to impact the world around them. The vast majority of consumers fall into this group and in Italy particularly, this group accounts for 51% of all shoppers.

INCREMENTAL CHANGEMAKERS

37%

are highly motivated to make a change and engage in the world of sustainability



EUROPE'S KALEIDOSCOPE OF PERSPECTIVES

UK consumers are the most concerned by plastic pollution

France has the highest percent of people, 20%, who indicated they felt sustainability strongly influences their decision making

Consumers in **Italy** are the most active and engaged when it comes to sustainability

In **Germany**, half of consumers said they pay attention to where produce comes from and either only buy locally produced foods or try their best to do so

In **Sweden**, 11% were Unconcerned Consumers – the highest out of the 5 countries

FINDING 1

OVER A THIRD OF RESPONDENTS ARE DETERMINED TO MAKE A DIFFERENCE

At the more extreme ends of the spectrum, it is more common to see people who are pro-sustainability than not. Around 10% respondents tend to be Eco-Warriors, whereas only 6% on average say they are completely unconcerned.

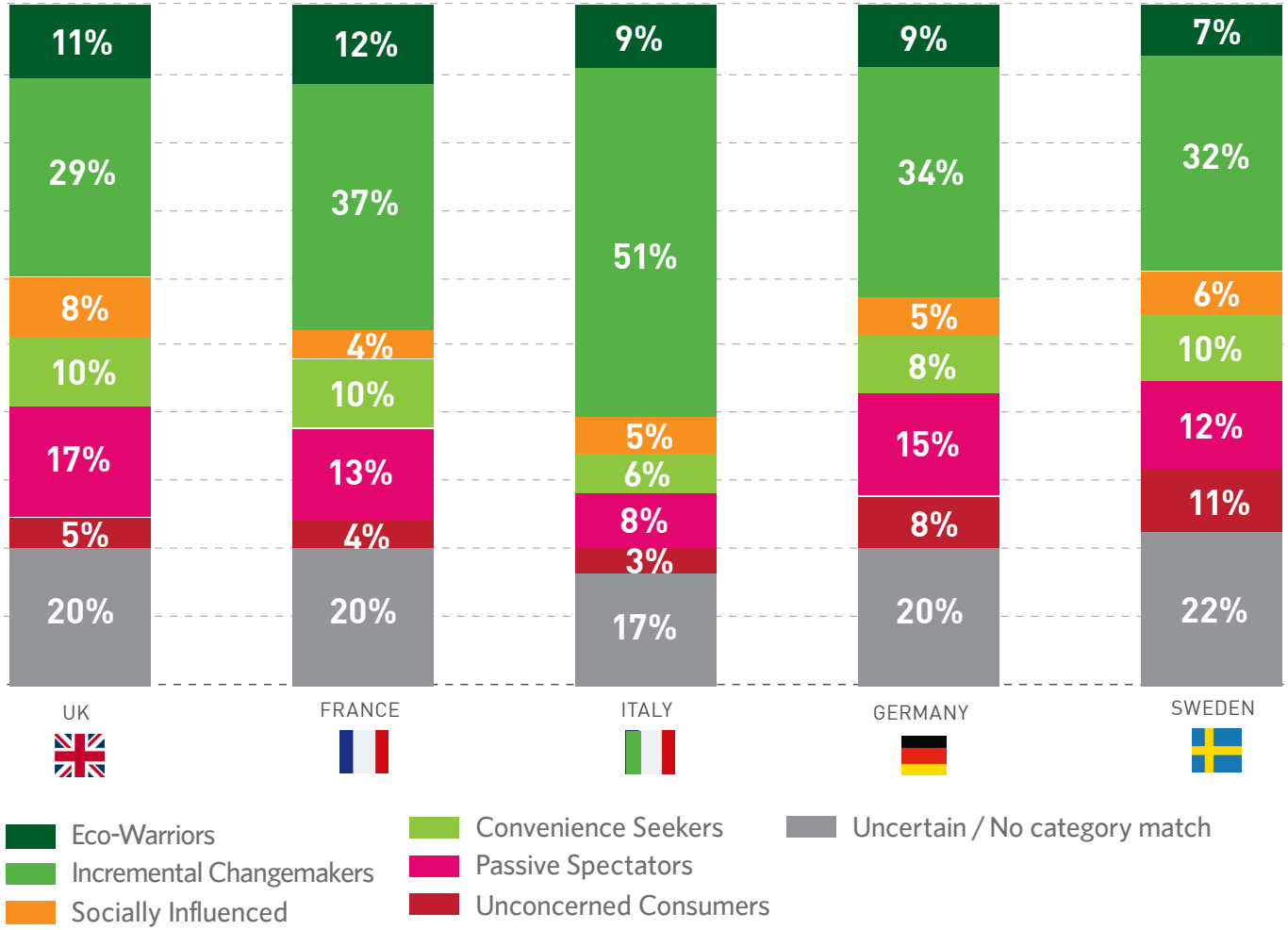
UNCONCERNED CONSUMERS

6%

ECO-WARRIORS

~10%

What personas tell us about countries



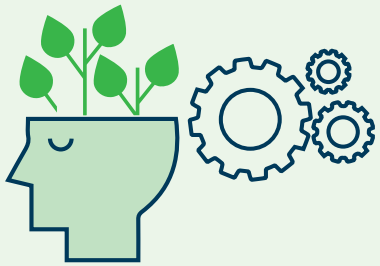
FINDING 1

OVER A THIRD OF RESPONDENTS ARE DETERMINED TO MAKE A DIFFERENCE

• The number of passive respondents was by far the lowest in Italy, which had only 8% of respondents falling into the Passive Spectators group, compared with around 15% on average across all other countries.

• Conversly, the UK has the highest proportion of Passive Spectators (17%) but also one of the highest levels of Eco-Warriors (11%) – showing division amongst UK consumers and their sustainability attitudes.

• Italy has the lowest group of Unconcerned Consumers (3%), compared to a 7% average across other countries.



COMMON SUSTAINABILITY BEHAVIORS IN DAY-TO-DAY LIFE:

• In every country, more than half of consumers claim to recycle because they want to make a difference.

• In every country, at least 40% claim they try to buy local produce as often as possible or always.

• 43% of consumers think every little action helps and think about ways to make more sustainable decisions.

• Only 15% of respondents don't look into information about sustainability at all.

HOW CONSUMERS LEARN ABOUT SUSTAINABILITY:

• When asked about how they learn about sustainability, the majority of consumers say they gather information about sustainability through various sources – often passively through channels such as social media and TV.

• 30% of respondents do actively hunt for information about sustainability or attend relevant conferences.

"We choose now to eat meat as a treat"

Grocery Shopper, UK

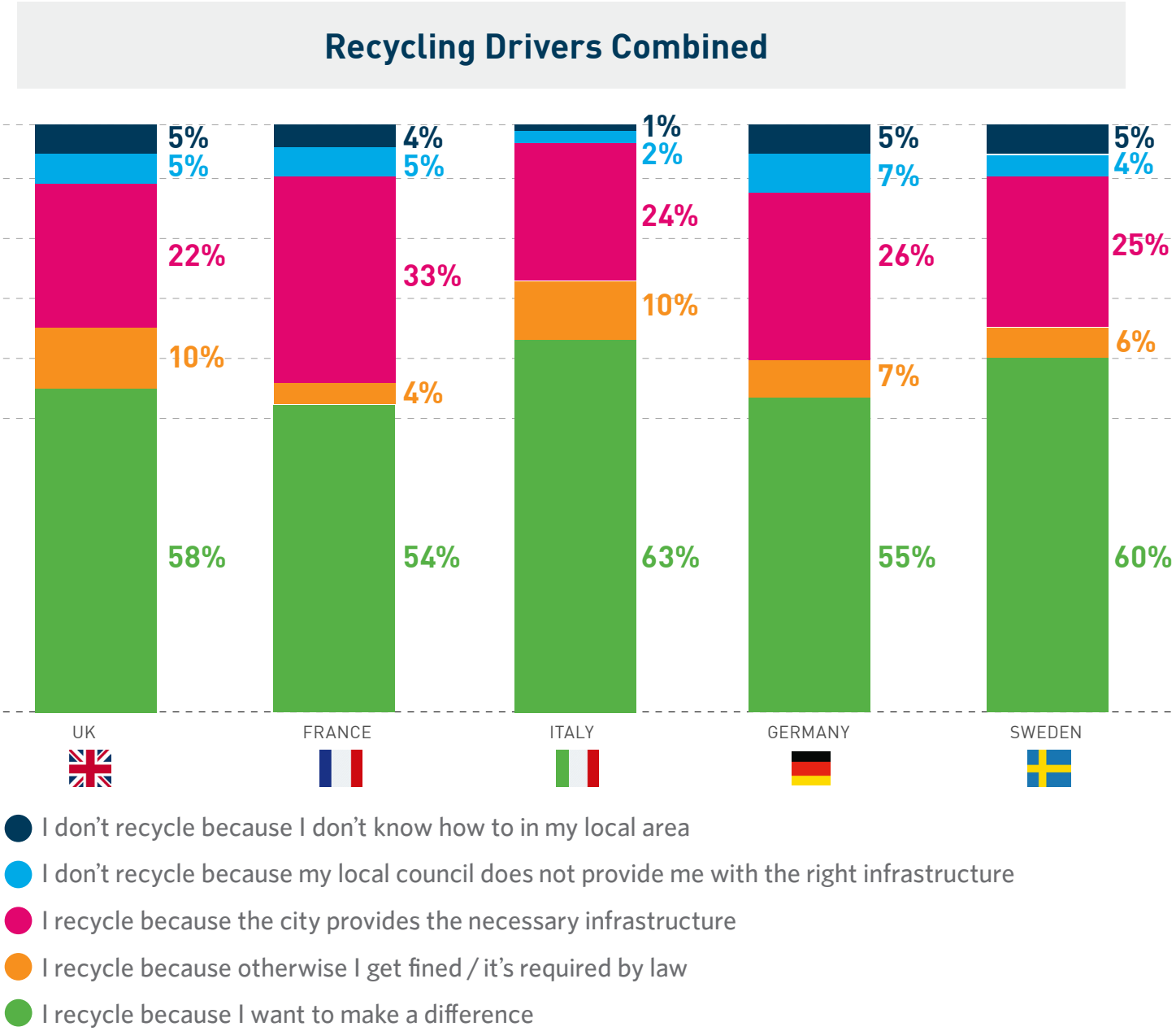
FINDING 1

OVER A THIRD OF RESPONDENTS ARE DETERMINED TO MAKE A DIFFERENCE

ALTRUISM, NOT RULES, DRIVES SUSTAINABILITY BEHAVIORS

The research shows that more than half of consumers in every country claim to recycle because they want to make a difference. Up to 10% recycle only because they are required to do so by law.

50%+
do contribute to recycling



FINDING 1

OVER A THIRD OF RESPONDENTS ARE DETERMINED TO MAKE A DIFFERENCE

BRAND TAKEAWAYS

- Sustainability is a growing priority for many consumers across all countries surveyed:
  - The Incremental Changemakers are the largest persona group within each country
  - The Unconcerned Consumers are the smallest persona group within each country

INCREMENTAL CHANGEMAKERS

Biggest persona group

UNCONCERNED CONSUMERS

Smallest persona group

- Despite small differences in actions and attitudes towards recycling and more sustainable purchasing habits, the key European markets show that engagement with sustainability is high

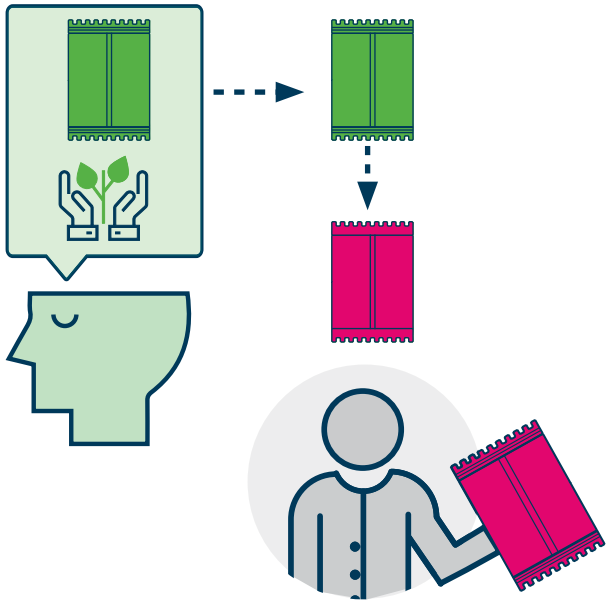
- This demonstrates that sustainability is truly a priority. How can brands cater to the active and more engaged consumers on sustainability?

- However, there is no one-size-fits-all solution, and brands should pay attention to the nuances between countries and how this affects consumer behavior in order to best respond to their expectations. Brands will be challenged to find a balance between local variations which drive sustainability behaviors versus simplification of product and packaging offers.

KEY FINDING 2

MIND THE GAP: WHAT CONSUMERS SAY, AND WHAT THEY DO, DON'T ALWAYS MATCH UP

Despite the fact that the majority of consumers are Incremental Changemakers, and that engagement with and proactivity around sustainability is high, many people engage in behaviors that either have negative environmental impacts, or they struggle to change their consumption patterns to better reflect their values.



38% are aware of the environmental impacts of driving

but

would go ahead regardless

In France, there was the highest number of respondents (38%) who said they were aware of the environmental impacts of driving...but would go ahead regardless.

10% Will only adopt sustainable behavior if it fits their habits

1 in 10 consumers still consider it too much effort to change their way of life and will only adopt sustainable behavior if it fits their current habits.

46% try to behave in a sustainable way

but

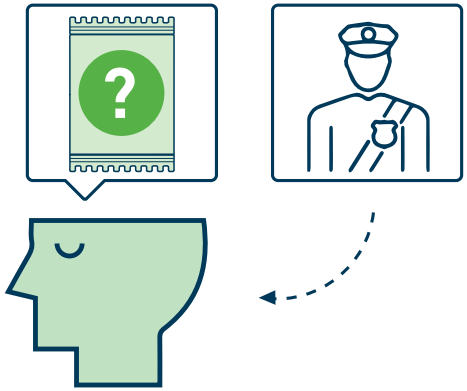
23% Would still put something in the general rubbish

In Sweden, 46% said they try to behave in a sustainable way but 23% said they would still put something in the general rubbish bin if recycling bins weren't readily available.

KEY FINDING 2

MIND THE GAP: WHAT CONSUMERS SAY, AND WHAT THEY DO, DON'T ALWAYS MATCH UP

Often a lack of action can also be attributed to confusion and a desire for clear direction from government.



WHAT GROCERY SHOPPERS ARE SAYING

"I am ok with flying to London for €8 with Ryanair. I just buy something from an eco store to make myself feel better."
- Germany

"I pick and choose which topics I want to focus in on, but I'm not giving up holidays! [referring to flying]."
- Germany

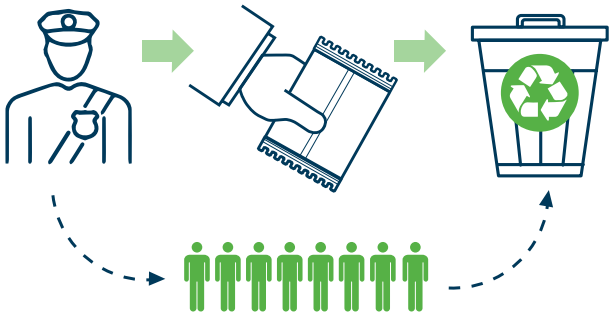
"I say I'll pay more for a recyclable pack, but at the shelf I just go for the cheapest product first..."
- France

"I don't think that I as the consumer should figure out what is good or bad. I just want good products."
- Germany

"How do any of us know that what we're doing actually makes a difference?"
- UK

KEY FINDING 2

MIND THE GAP: WHAT CONSUMERS SAY, AND WHAT THEY DO, DON'T ALWAYS MATCH UP



The role of government in enabling consumers' sustainability behaviors is clear in the data. During the qualitative research there were many individuals who cited the role of government in supporting their sustainability efforts.
This is also supported by quantitative insights with:

- 22-33% of people stating they recycle because the government tells them to do so.
- The persona group Passive Spectators, characterized by their actions being prompted largely when told by government, ranges from 8 to 17% of the population across the five countries.

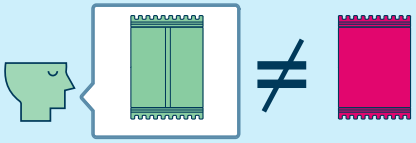
"I strongly believe that the government should be taking action in reducing the use of packaging. People's behaviors won't change otherwise."
- France

"Manchester council sends us this leaflet with what to recycle and how. I haven't ever questioned it."
- UK

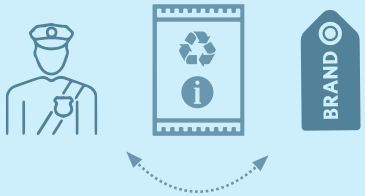
"I'd be really happy if all products had a stamp or label saying that they are environmentally friendly."
– Germany

BRAND TAKEAWAYS

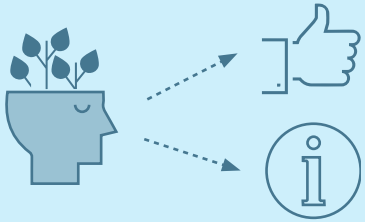
Consumers don't always do what they say they'll do



As many consumers rely on government guidance on recycling instructions, there's value in brands working with local authorities to help improve clarity of information and reduce confusion



Consumers' desire to act sustainably can be supported by convenience and clear information.



For more on this, **jump to finding 4** where we explore recyclability and driving impactful action

KEY FINDING 3

GLOBAL WARMING AND PLASTIC POLLUTION COMPETE FOR LEADING CONCERN STATUS

The research shows that, for the majority of consumers, global warming is the environmental issue that they're most concerned about. Around one-third of respondents also worry about plastic pollution. However, in the UK, global warming and plastic pollution are equally important.

45%

of respondents worry about **global warming**

33%

of respondents worry about **plastic pollution**

Biggest environmental concerns

What is the environmental issue you are most concerned about ?

1° Global warming

Market	% of respondents
	36%
	48%
	45%
	46%
	50%

2° Plastic polution

Market	% of respondents
	37%
	26%
	32%
	32%
	30%

HEALING THE ENVIRONMENT IS A GLOBAL OBSESSION

The focus on plastic pollution should not come as a surprise. In the UK especially, the impact of television shows such as David Attenborough's Blue Planet continues to be profound. Surveys have demonstrated the 'Attenborough Effect', in which 53% of UK and US consumers surveyed had reduced their consumption of single-use plastic over the previous 12 months[1].

Consumption of single-use plastic is reducing

Consumers' awareness about waste is rising

Consumers' awareness about waste is rising and they want to play a role in the sustainability movement. The question is how they choose to play that role.

How do consumers navigate packaging options and feel confident that their choices are better for global environmental concerns?

1- www.globalcitizen.org

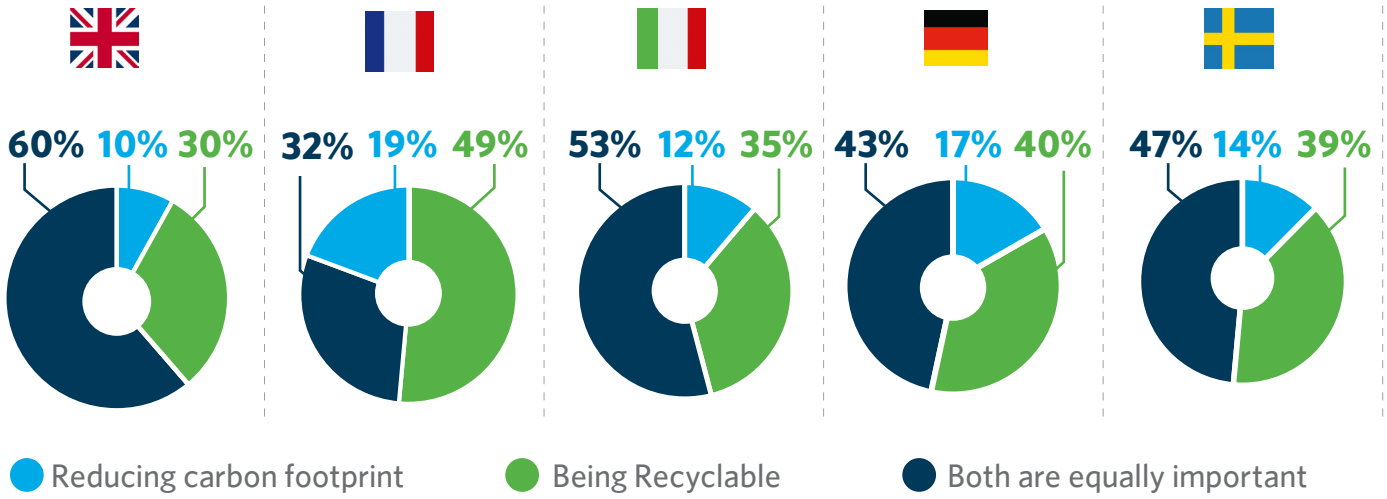
KEY FINDING 3

GLOBAL WARMING AND PLASTIC POLLUTION COMPETE FOR LEADING CONCERN STATUS

Even though global warming is cited as the biggest concern for most consumers, the data also shows that the importance of carbon footprint to consumers is not higher than recyclability.

Carbon footprint vs. Recyclability: What's more important for consumers?

In your opinion, what is more important for a packaging?



The majority

believe **reducing the carbon footprint of packaging is equally important to it being recyclable**

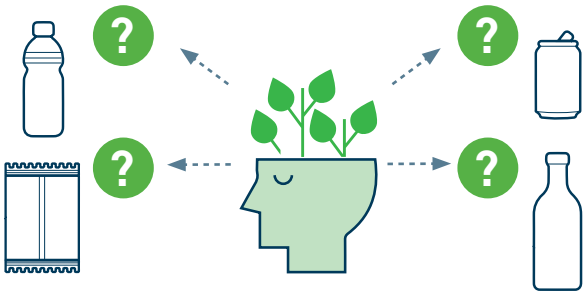
On average only around 15% of consumers across all five markets believe reducing carbon footprint is more important than recyclability. Instead, most consumers believe reducing the carbon footprint of packaging is **equally important** to it being recyclable. Consumers are beginning to demand that **packaging caters to both global crises: global warming and plastic pollution.** A focus on one is not enough.

KEY FINDING 3

GLOBAL WARMING AND PLASTIC POLLUTION COMPETE FOR LEADING CONCERN STATUS

But do consumers truly understand the role packaging can play in carbon footprint reduction?

For example, many consumers assume that glass or aluminum packaging are better for the environment. While metal or glass packaging can have higher recycling rates than plastics, for many applications their carbon footprint is typically much higher. Also, when glass breaks and cans dent, and the products they contain are damaged, the food waste this causes increases the overall carbon footprint. Additionally, the heavier weight of these package types often means that fewer packages can be transported per truckload, and more energy is required to transport them.



"I don't understand what carbon footprint is, but I will recycle instead and hope that's enough."
- Grocery Shopper, Germany

"I used to buy cat food in pouches, but I wasn't sure if it was recyclable or not. Now I buy in tins because I know where I stand with tins."
- Grocery Shopper, UK

"I read all the logos at the back, but I get so easily confused"
- Grocery Shopper, Germany

"Aluminum is bad. I don't know why, but I heard that it is from somewhere"
- Grocery Shopper, France

EXAMPLE

Quorn // Introducing food carbon footprint credentials to consumers

Quorn, one of the world's largest meat-free manufacturers, introduced carbon footprint labelling on its products in June 2020. The labels aim to better inform people about the environmental impacts of the food they consume.

Quorn displays "Farm to Shop" carbon footprint data, certified by the Carbon Trust, on its top 30 selling products, directly linking consumers' concerns about global warming, with the foods they eat. With time we can expect that more brands will now look to show carbon footprint credentials. However, packaging is not always incorporated in the full life cycle picture.

Amcor's packaging life cycle assessment tool, ASSET, can support brands to go a step further to include the carbon foorprint of the packaging in their consumer communication – giving full transparancy on the carbon footprint of both the packaging and the contents inside.

KEY FINDING 3

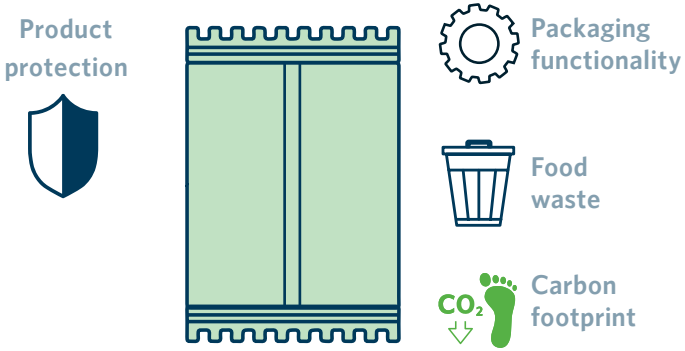
GLOBAL WARMING AND PLASTIC POLLUTION COMPETE FOR LEADING CONCERN STATUS

Packaging choices can have an impact on both plastic pollution and carbon footprint. Packaging options that can improve its sustainability profile can include lightweighting by using less material, recyclable, compostable or reusable pack designs, be made from post-consumer recycled content, or be made from responsibly sourced bio-based materials. **There are many options. However, the link between packaging functionality, food waste, and the related carbon footprint is always important to consider.**

The drive toward sustainability is neither simple nor single-faceted, firstly because there will always be a role for packaging. It protects and preserves food, beverages, pharmaceuticals, medical devices, and home and personal-care products. It extends shelf life and reduces food and other product loss across a range of distribution channels. Food waste has its own carbon footprint, and according to the FAO, if food waste was a country, it would be the third-largest emitter of CO_2 in the world[2].

In other words, the requirements of packaging have never been bigger.

Important to consider to improve packaging sustainability



"I get that plastic packaging is bad, but I wouldn't want to pay for food that has a really short shelf life"
- Grocery Shopper, UK

"We cannot cut all packaging because it protects food."
- Grocery Shopper, France

"In a supermarket the least sustainable aisle is processed meat. It's all plastic, they don't make any effort, but it preserves food better."
- Grocery Shopper, France

BRAND TAKEAWAYS

- Consumers expect brands and packaging suppliers to tackle both challenges - global warming and plastic pollution.
- Consumers aren't clear on the role of packaging in reducing carbon footprint and supporting the fight against global warming.
- Reduction of carbon footprint can be directly linked to the fight against global warming and with clear on-pack claims, brands can speak to consumers who see global warming as the biggest environmental challenge of our time.

2- www.fao.org

KEY FINDING 4

RECYCLABLE IS NON-NEGOTIABLE, WHILE OTHER SUSTAINABILITY CLAIMS HIT OR MISS

Consumers no longer consider recycability as 'aspirational' or 'nice to have'. It has become a non-negotiable.

However, just because recycling is expected as standard, this does not necessarily match with recycling rates around the world.

Complexity of recycling instructions, varying levels of available infrastructure and confusion over which materials to recycle and how, leads to this inaction.

The sheer variety of plastics complicates matters and can confuse consumers; something like a clear water bottle made from polyethylene terephthalate (PET) is readily recycled while plastic bags and pouches are often disposed of rather than recycled as consumers don't know which bags are recyclable where. The confusion can lead to inaction and frustration.

These are better plastic because I think they're lined with paper, that's why they stand up."
- Grocery Shopper, UK

Black trays are always bad. I don't know what plastic is in its normal form but black must have a mixture of a lot more stuff."
- Grocery Shopper, UK

"These are bad plastic bags because they're shiny, cheap and they don't have a lot of structure."
- Grocery Shopper, UK

Brands and packaging suppliers, like Amcor, are already working closely with organizations such as the **Ellen MacArthur Foundation** and **Circular Economy for Flexible Packaging** (CEFLEX) to support the development of recycling infrastructure across Europe for the more challenging types of packaging, but what else can brands do, in partnership with their packaging suppliers, to increase consumer recycling rates?

ELLEN MACARTHUR FOUNDATION Partner

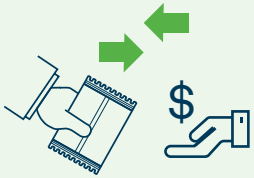
CEFLEX

KEY FINDING 4

RECYCLABLE IS NON-NEGOTIABLE, WHILE OTHER SUSTAINABILITY CLAIMS HIT OR MISS

The research shows four factors, based on consumer responses, that would encourage more recycling for European households.

Consumers need clear guidance to understand their recycling options. They believe packaging should be recyclable as standard and they want to return their packaging to the right place. Clearer on-pack instructions about what can be recycled and how will help to increase recycling rates.



Refunding part of the cost of the product when the packaging is returned

45%

More recycling bins in public spaces

40%

Clearer on-pack instructions about what can be recycled and how

34%

More recycling facilities at supermarkets

32%

Clearer on-pack instructions will increase recycling rates

"If the recycling expert wasn't clear on plastic recycling guidelines, due to the overwhelming amount of local nuances – how could a mainstream consumer be?"

- Grocery Shopper, UK

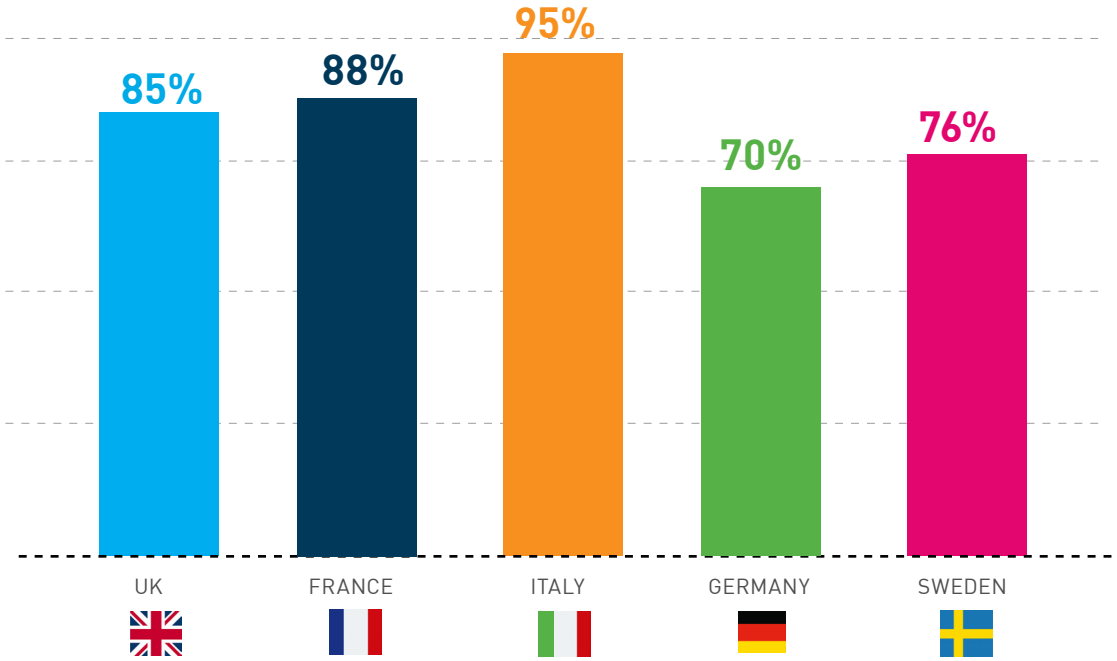
KEY FINDING 4

RECYCLABLE IS NON-NEGOTIABLE, WHILE OTHER SUSTAINABILITY CLAIMS HIT OR MISS

The good news is, consumers are also showing engagement with recycling instructions. In Italy, 95% check the pack instructions to know how to dispose of empty food packaging and what bin it should go in. That figure is 88% for France, 85% for the UK, 76% for Sweden and 70% for Germany.

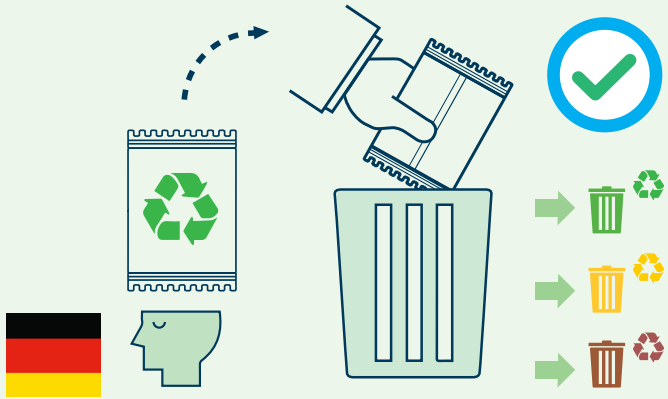
Do you usually check pack instructions to know in which bin you should put your empty food packaging?

- in % of respondents who said "yes"



Germany ranks lowest for all the right reasons

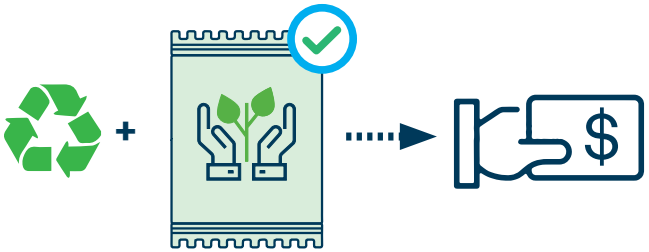
Germany ranked lowest for checking on-pack recycling instructions but there may be good reason for that. Germany has one of the clearest, easiest collection systems in Europe. So consumers there may read less because they already know what to do to recycle.



KEY FINDING 4

RECYCLABLE IS NON-NEGOTIABLE, WHILE OTHER SUSTAINABILITY CLAIMS HIT OR MISS

In addition to supporting recycling action, brands can differentiate their products through other sustainability attributes, to give shelf stand-out and influence purchasing behavior.



The following table shows shoppers' responses to the packaging sustainability statements that are most likely to positively influence their decision when buying a product.

Sustainability statements that could positively influence purchase

PACKAGING STATEMENT (found on existing FMCG products)					
Compostable packaging	46%	50%	44%	54%	45%
Packaging made of recycled materials	37%	35%	40%	39%	43%
Packaging made from renewable resources	31%	34%	20%	33%	25%
Eco-friendly packaging	24%	28%	28%	33%	38%
Reduced impact on climate change	22%	18%	16%	13%	28%
Bio-based / bio-sourced packaging	22%	15%	27%	18%	22%
Less plastic (eg. "30% less plastic")	19%	17%	20%	26%	22%
Sustainably-sourced packaging	17%	22%	17%	15%	8%
Lower/Low carbon footprint packaging	16%	15%	20%	12%	14%
CO2 reduced packaging	10%	14%	11%	9%	6%

Top 3 claims per country most likely to influence

KEY FINDING 4

RECYCLABLE IS NON-NEGOTIABLE, WHILE OTHER SUSTAINABILITY CLAIMS HIT OR MISS

The research shows that compostability has the highest level of consumer engagement, with nearly half of Europeans stating they'd be willing to purchase a product based on its compostable packaging.

Consumers are also receptive to labels stating 'made from recycled materials', with nearly 40% favoring this type of packaging.

However, there was a significant difference in engagement between two terms with a very similar meaning - 'Reduced impact on climate change' and 'CO_2 reduced packaging'.

This demonstrates that terminology used to make sustainability claims is important, which will be covered now in our next research finding.

COMPOSTABILITY

Highest engagment

~50% of Europeans **are willing to purchase a product based on its compostability**

MADE FROM RECYCLED MATERIALS

~40% of Europeans favour packaging with the **'made from recycled materials' statment**

CASE STUDY

Read more

Potato supplier improves sustainability with high-performance recyclable packaging

Leo de Kock, European fresh potato supplier since 1916, focuses on sustainability and product freshness in their packaging choices.

To meet these needs the brand is now using Amcor's recyclable P-Plus packaging, designed to maintain freshness and extend the shelf life of produce, whilst also being 100% recyclable.

leodekock

KEY FINDING 4

RECYCLABLE IS NON-NEGOTIABLE, WHILE OTHER SUSTAINABILITY CLAIMS HIT OR MISS

AMCOR'S SEVEN SUSTAINABILITY OPTIONS

At Amcor, we are putting our energy into designing innovative packaging solutions that meet the sustainability challenges of today and tomorrow.

Amcor is the first packaging company to make a Sustainability Pledge that, by 2025, all our packaging will be developed to be recyclable or reusable, as well as increase our use of post-consumer recycled content. On our journey to that pledge **we are innovating across seven sustainability options**, meeting brands' needs to differentiate their packaging with consumers today.

- ***Recyclable***
- ***Post-consumer recycled content*** (PCR)
- ***Bio-based materials***
- ***Lower carbon footprint*** (CO_2)
- ***Compostable***
- ***Responsibly sourced materials***
- ***Reusable***

Learn more about our seven sustainability options.

BRAND TAKEAWAYS

- Consumers believe recyclable packaging should be the industry standard.
- Consumers are engaged with recycling. Are the on-pack instructions clear enough to support their recycling intention?
- Sustainability expectations are high, and they are only set to get higher. Brands need to consider how else they can differentiate their products with more sustainable packaging choices. Consumer perceptions of bio-based materials, post-consumer recycled content and compostability, combined with efforts around product waste reduction, can guide the correct packaging choice.
- Working with packaging suppliers, other brands, retailers and recyclers through organizaitons such as the Ellen MacArthur Foundation and CEFLEX are vital for moving the industry forward.

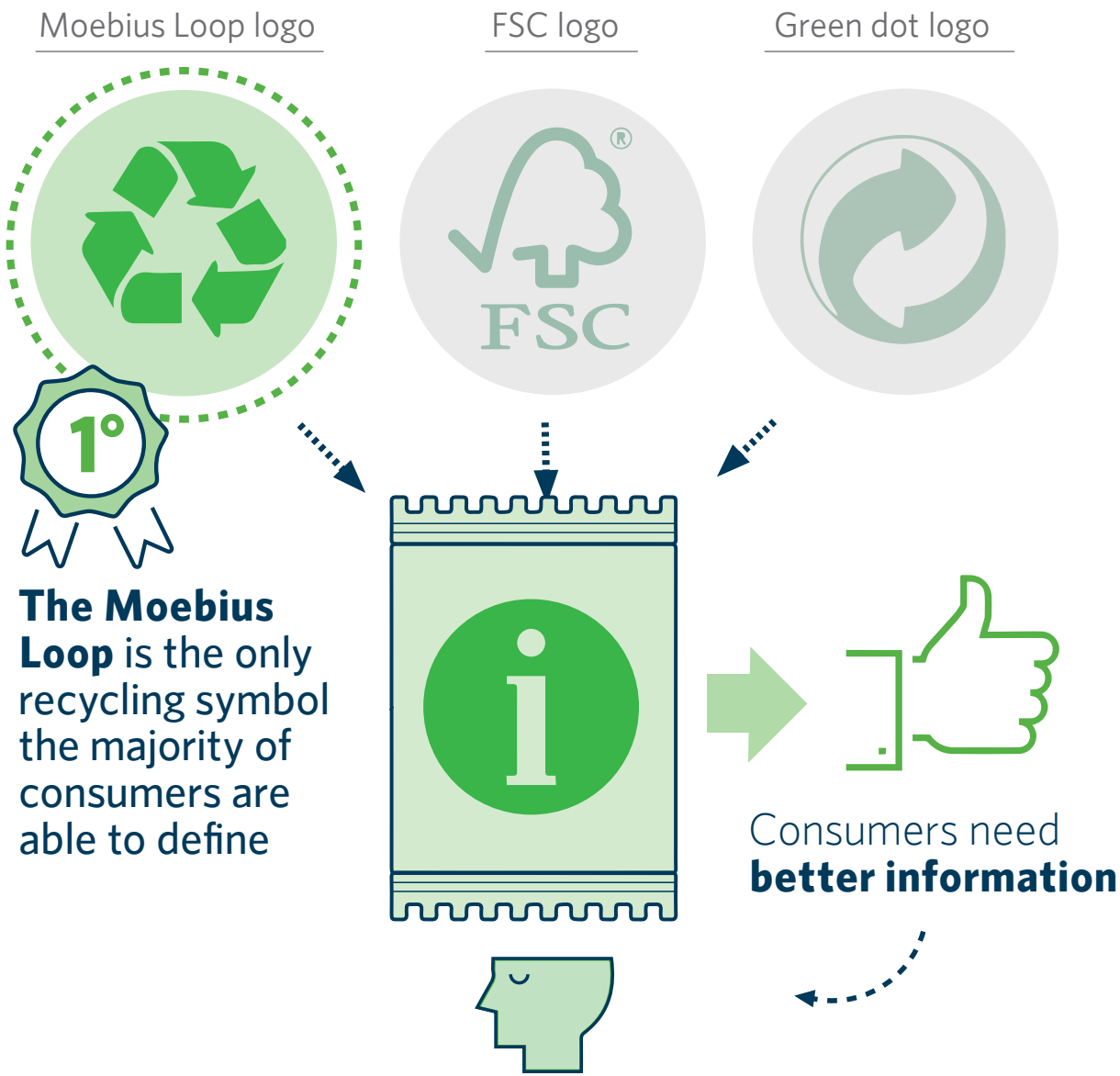
KEY FINDING 5

CONSUMERS DON'T NEED MORE INFORMATION – THEY NEED BETTER INFORMATION

How well do consumers understand the recyclability and other sustainability claims made on food packaging?

The research shows that comprehension of sustainability logos varies. For example, **the Moebius Loop (recycling loop), FSC and Green dot logos** enjoyed a high level of awareness and visibility in the surveyed markets (see page 35). And while consumers think they understand logos related to recyclability, the Moebius Loop is the only one they define accurately. Conversely, they tend to misinterpret the Green Dot logo, linking it to pack recyclability.

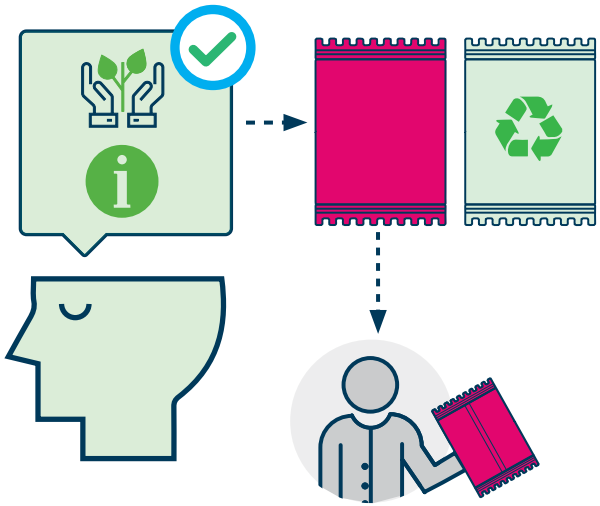
High level of awareness sustainability logos



KEY FINDING 5

CONSUMERS DON'T NEED MORE INFORMATION – THEY NEED BETTER INFORMATION

However, as we've seen, just like understanding varies, so too do the behavioral outcomes. Understanding a sustainability claim doesn't necessarily mean it will be acted on due to the complexities of infrastructure and local variations.



Do they have logo definitions right when aided with 3 different options?

Respondents were asked to pick what seemed to be the correct definition of the logo in their opinion, amongst 3 definitions - % of respondents who ticked the correct definition

Level of understanding

Logo tested					
	65%	66%	70%	62%	80%
CARBON TRUST REDUCING CO2 PACKAGING	45%	43%	50%	50%	42%
	32%	40%	32%	41%	36%
OK biobased	35%	33%	26%	26%	24%
	13%	19%	12%	17%	14%

KEY FINDING 5

CONSUMERS DON'T NEED MORE INFORMATION – THEY NEED BETTER INFORMATION

Packaging labelled as biodegradable/compostable is favored by many Europeans. After all, the idea of the packaging simply 'disappearing' is much more convenient than hunting down the correct recycling bin. Over a third of Europeans believe it to be the least damaging packaging for the environment. It's followed by 'less packaging', again highlighting the desire for packaging to simply 'disappear' from consumers' view.

Packaging perceived as least damaging for the environment

In your opinion, what packaging is the least damaging for the environment? – in % of respondents

Biodegradable/compostable	27%	31%	39%	29%	36%
Less packaging	20%	25%	13%	25%	13%
Recyclable	20%	13%	18%	17%	16%
Plant-based	18%	22%	16%	17%	19%
Made with recycled materials	9%	5%	10%	6%	10%
Less carbon emissions	6%	4%	4%	5%	5%

Top 2 packaging types per country perceived as least damaging for the environment

"That's why Primark bags are good. When it rains, it just disintegrates and disappears." (referring to the brand's paper shopping bags)

- Grocery Shopper, UK

KEY FINDING 5

CONSUMERS DON'T NEED MORE INFORMATION – THEY NEED BETTER INFORMATION

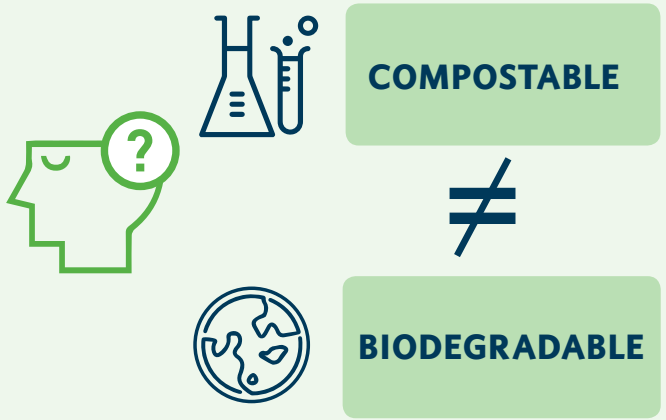
However, while consumers might ask for compostable options, there are a couple of factors to consider.

Only ~ 1/3 interpret correctly the official logo for compostability

1. Many consumers don't understand or recognize the official logo for compostability (as the data on page 27, only around one-third interpret it correctly).

'Compostable' and 'biodegradable' **misunderstandings**

2. Consumers often misunderstand the difference between 'compostable' and 'biodegradable'. Compostability is achieved through a defined process and therefore there is a risk that packaging will be tossed into the waste bin or worse into the environment under the false assumption that it will simply disappear.



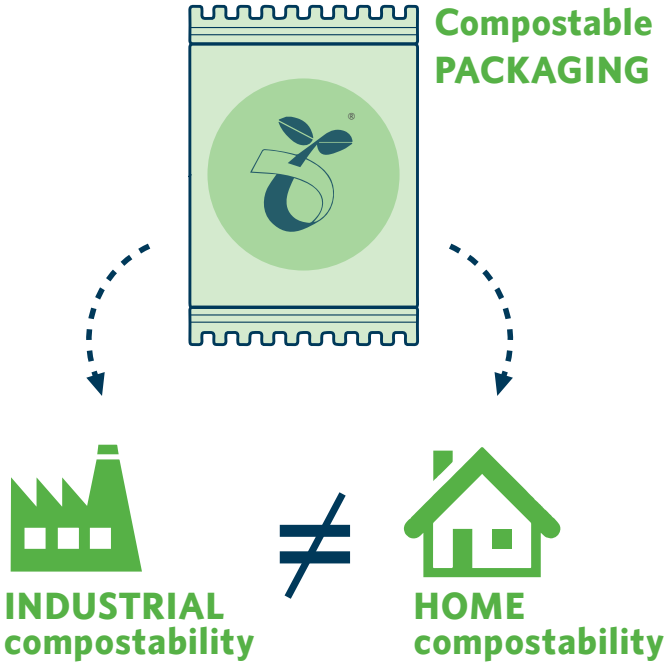
KEY FINDING 5

CONSUMERS DON'T NEED MORE INFORMATION – THEY NEED BETTER INFORMATION

Warning:

All compostables are not equal

While 'compostable' is a current buzzword in packaging, it requires specific conditions and infrastructure in order to benefit the environment. Today, compostables are very useful for situations where packaging and food contents are hard to separate – such as coffee pods or sticky foods.



However, not all compostable materials can be disposed of in the same way. Unlike home compostable packaging, which can break down in home composting conditions, industrial compostable materials require specific conditions to decompose. Both options can also have a shorter shelf-life, as the packaging itself may begin to break down after about six months. Additonally, unlike composting organic materials (such as fruit and vegetable peelings) compostable packaging does not add nutrients back to the soil.

CASE STUDY

Read more

Reducing coffee packaging's carbon footprint by 30%

Löfbergs, one of the world's largest importers of organic and Fairtrade labelled coffee, are now phasing out fossil-fuel based plastic in their packaging to replace it with bio-based alternatives.

Bio-based materials are made from renewable resources, (in this case sugar cane) as opposed to depletable, fossil-fuel based raw materials.

The switch to bio-based materials was seamless for Löfbergs, as the technical, recyclable and mechanical properties of the bio-based PE are the same as conventional polyethylene.

KAFFEROSTERIET LÖFBERGS ETABLERAT 1906

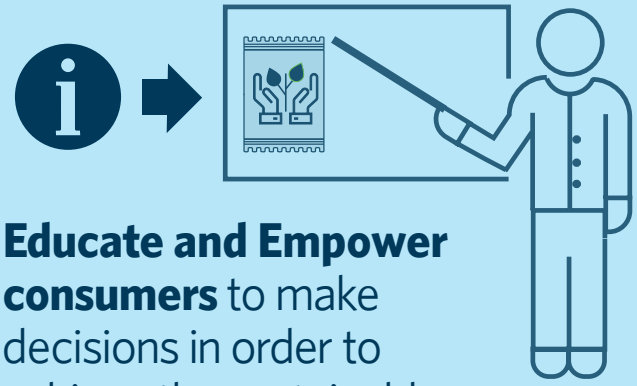
KEY FINDING 5

CONSUMERS DON'T NEED MORE INFORMATION – THEY NEED BETTER INFORMATION

Despite consumers' desire for packaging that simply "disappears", today there are no suitable biodegradable or compostable materials available for all packaging applications. A better understanding of how recyclability fits into the sustainability conversation by reducing the use of virgin resources and therefore supporting the fight against global warming, could help consumers realize the value of recyclable and reusable packaging, as well as packaging made from post consumer recycled materials.

The use of recyclable, reusable and packaging made from post consumer recycled materials as a way of **reducing the use of virgin resources**

BRAND TAKEAWAYS



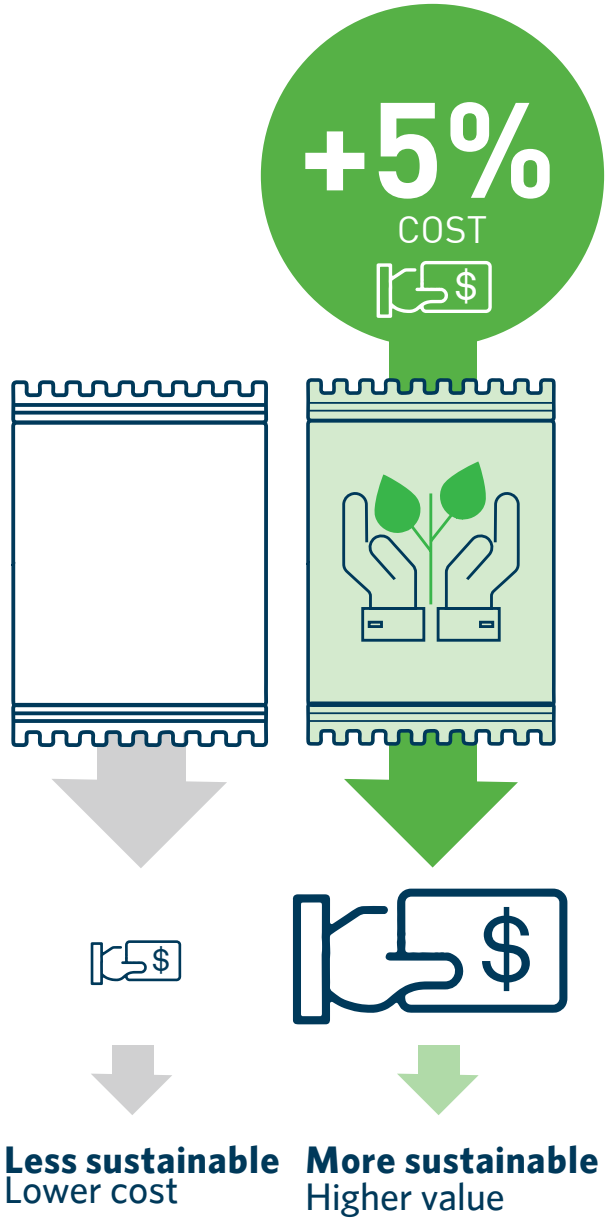
Educate and Empower consumers to make decisions in order to achieve the sustainable outcomes that they want.

- It's important to reinforce education around the role of packaging to consumers and encourage more sustainable packaging innovation (such as responsibly sourced bio-based).
- There is also a need to educate around compostability processes and requirements, and where it makes sense to use compostable packaging.
- Research has clearly shown that consumers have lots of information about recycling and sustainability already. What's missing is better information that will empower them to make decisions in order to achieve the sustainable outcomes that they want.

KEY FINDING 6

PEOPLE WILL PAY MORE FOR MORE SUSTAINABLE PACKAGING

The drive to pay more for more sustainable packaging varies across countries and in terms of how much people are willing to spend. **Overall, a 5% price increase for more sustainable packaging seems to have widespread acceptance among surveyed markets.** Italians are especially open to spending extra on sustainability, with 63% of respondents claiming that they'd be willing to pay 15% more if their favorite food brand offered more sustainable packaging.



What are the sustainability statements that could positively influence purchase? Firstly, compostability, which is a statement that consistently shows high levels of consumer engagement.

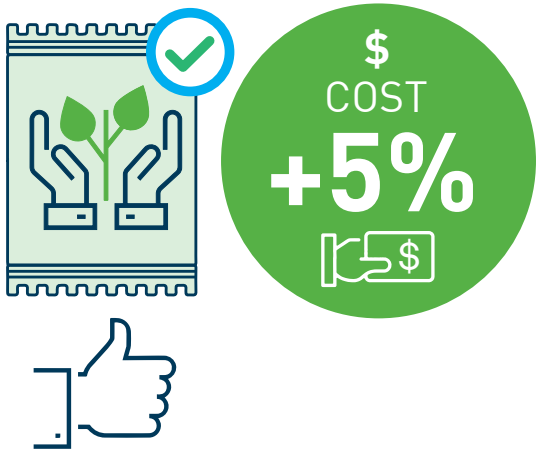
30-40% of all respondents are receptive to **the source of materials being communicated on the packaging**

Around half of all respondents said that this label would positively affect their purchasing decision around a product. However, brands also need to be open and responsible about using compostability where it makes the most environmental sense e.g. when packaging and food contents are hard to separate, and the risk of consumers throwing it into the environment is low.

Consumers also seem to be receptive to the source of materials being communicated on the packaging (e.g. 'from recycled content' or 'from renewable resources', which positively influences between 30-40% of all respondents).

KEY FINDING 6

PEOPLE WILL PAY MORE FOR MORE SUSTAINABLE PACKAGING



COMMANDING A PREMIUM

How much more will consumers pay for sustainability?

Willingness to pay more for more sustainable packaging

If your favorite food brand was offering a more sustainable packaging, would you be ready to pay 15% / 10% / 5% / 1% more for it? – in % of respondents

(Price examples were given in local currency)

Don't want to pay more	20%	21%	8%	22%	14%
Ready to pay 1% more	80%	79%	92%	87%	86%
Ready to pay 5% more	**68%**	**69%**	**83%**	**74%**	**72%**
Ready to pay 10% more	52%	55%	68%	55%	57%
Ready to pay 15% more	44%	49%	63%	48%	51%

KEY FINDING 6

PEOPLE WILL PAY MORE FOR MORE SUSTAINABLE PACKAGING

- Recyclable
- Forest Stewardship Council®
- Green dot
- Recycling PET Plastic
- Aluminium Stewardship Initiative
- CEN Recycling Aluminum
- Carbon Trust
- DIN CERTCO Compostable Materials Certification
- Compostable
- BONSUCRO Certified Sustainable Sugarcane
- International Sustainability & Carbon Certification
- Ok Biobased® - TÜV Austria

Level of engagement for sustainability logos:
Seeing/understanding/paying more for - Observations

Most seen logos
(~80% of respondents saw it)

Least seen logos
(~50% respondents saw it)

Rank					
1°			FSC	PET	
2°	PET			FSC	FSC
3°	FSC	FSC			asi
11°	ISCC	DIN Geprüft	OK biobased	OK biobased	OK biobased
12°	Carbon Trust	Carbon Trust	Carbon Trust	Carbon Trust	alu

12 logos were shown to respondents

Most understood logos
(~55% of respondents understand it)

Least understood logos
(~30% respondents understand it)

Rank					
1°					
2°	alu		PET		PET
3°	Carbon Trust	alu		PET	alu
11°	DIN Geprüft	asi		asi	asi
12°	asi		asi	Bonsucro	

More likely to pay more
(~25% of respondents ok to pay for it)

Least likely to pay more
(~10/15% respondents ok to pay for it)

Rank					
1°	ISCC	DIN Geprüft	OK biobased	OK biobased	OK biobased
2°	OK biobased	ISCC		Carbon Trust	Bonsucro
3°	–	OK biobased	FSC	FSC	–
11°	alu		PET	PET	
12°	PET	PET	alu	ISCC	asi

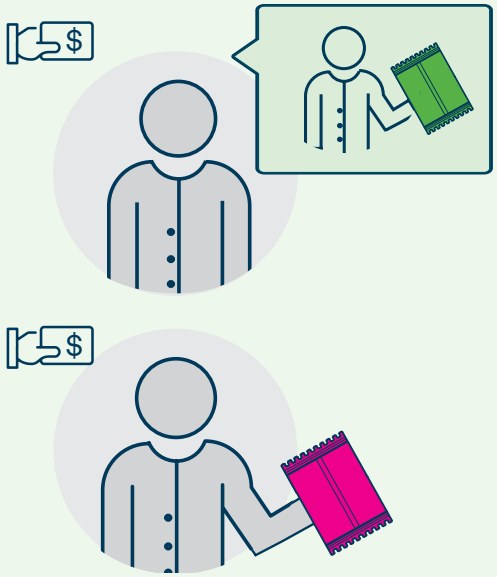
KEY FINDING 6

PEOPLE WILL PAY MORE FOR MORE SUSTAINABLE PACKAGING

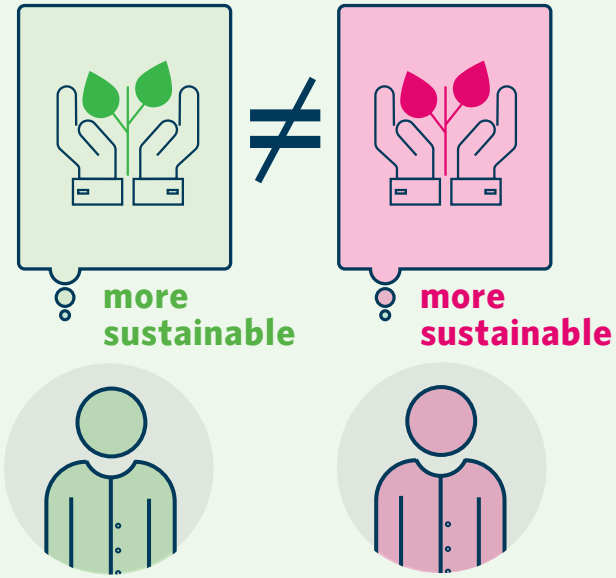
There are two caveats to these findings that brands need to be aware of.

The first is that **self-reported willingness (or even aversion) to paying more does not necessarily reflect what the person will do**. Tactics such as pilots or trial runs are a reliable method for further indicating consumer behavior.

What consumers say
is not necessarly what consumers do



The second is that **'more sustainable' means different things to different consumers.** For example, some may be willing to pay more money for post-consumer recycled packaging but not for reduced plastics packaging.



'More sustainable' **means different things to different consumers**

CONCLUSION AND WAYS FORWARD

ABUNDANCE OF CHOICE MEANS THAT BRANDS ARE UNDER MORE PRESSURE THAN EVER TO DELIVER WHAT CUSTOMERS WANT.

There will always be a role for packaging to protect essential products like food and medicines.

Cost-effective, convenient, and easy-to-use packaging will always be in demand, but increasingly, consumers are also demanding an end to plastic waste. Brands, retailers, regulators, and others – including Amcor – want the same.

Amcor is committed to responsible packaging, supply chain management and manufacturing. **We are reducing our use of virgin material and increasing our use of recycled content. We prioritize product protection while efficiently using materials to achieve the lowest environmental footprint.** We work with partners to ensure consumers can recycle the packaging we make, and much of our packaging is already designed to be recyclable or reusable, on the way to meeting our pledge commitment by 2025.

Partnering with Amcor enables you to benefit from our global research and development capabilities, our in-depth knowledge of consumer demand and expertise into solutions that meet sustainability criteria.

CONTACT US

To find out more about Amcor,

visit www.amcor.com