



2023
**Packaging
Trends**

ESKO*

Introduction

In 2023, brands and their packaging suppliers will need to become more agile to remain competitive and thrive in the face of new market challenges. Packaging professionals will need to perpetuate and expand the personal relationship between their brands and consumers. They will need to embrace opportunities for advancing sustainability, maximizing the use of technology, streamlining supply chain operations, incorporating trending packaging design practices, and creating efficiencies.

Packaging design, consumer preferences, and technology trends are all interconnected to create the marketplace of the future. Consumer behavior influences how brands operate, and technology fosters connection among brands, suppliers, consumers, and their environments. This e-Book will address key packaging trends influencing the market in 2023 and how technology will help brands and suppliers meet the new challenges.





Our Insights

In this report you'll learn about packaging trends we foresee for 2023 and beyond. It includes insights gathered from international media trend setters, consumer trend market research and consulting firms, as well as forecasts from Esko packaging thought leaders. Also included are the December 2022 survey results conducted by Esko of packaging professionals around the world regarding future packaging trends, challenges, and opportunities for reflection.



Consumer Buying Behavior

Consumer behaviors change as the world around them does. It would be an understatement to say that in the last few years, there have been significant changes to consumers' daily lives. As we come out of the last two years, five key trends have emerged impacting how consumers view brands, shop for products, and live their lives. Companies must therefore pay attention to these consumer trends and adapt their processes accordingly if they want to maintain consumer loyalty. The following information was compiled by Mintel in the [2023 Global Consumer Trends](#) report.

Me Mentality

The pandemic disrupted life as consumers knew it. As we shift away from the pandemic-era, consumers are ready to refocus on themselves. Mintel states "brands can provide this to them in the form of new experiences or products that feed their curiosity as they form new tastes, routines and preferences that align with who they are or who they want to be."

At the same time, consumers are aware the future holds uncertainties. As such, they will strive to become more resilient. For example, according to Mintel, "44% of US Gen Zs agree that finding ways to celebrate themselves has become more

important to them now than before the COVID-19 pandemic." An increased focus on themselves helps consumers reconnect with who they are and what they value. Companies must take into account that consumers will remain loyal to brands that reflect what matters most to them.

Power to the People

Mintel said it best. "Brands have to make room for a new 'c' in their c-suite: consumers. Brands can step back and allow consumers to be the creative center of innovation." As a result, brands are letting consumers shape their futures more than ever before. In 2023, consumers are looking to co-create with brands and be part of the change furthering innovation in the market. This is best seen on social platforms where consumers creatively express themselves, such as TikTok. The end result is more brands will harness creative talent and invite consumer perspectives into their processes.

How will this affect companies in the future? Mintel projects, "In the next five years, brands will increasingly cater to the niche identities of loyal consumer investors, fragmenting large, legacy brands into smaller, more targeted business units."

Hyper Fatigue

Consumers have navigated crisis after crisis since 2020. Several challenges have caused them to feel fatigued and overwhelmed, including the pandemic, the energy crisis, inflation, geopolitical unrest, and climate concerns. As a result, they are more drawn to brands offering a way to escape everyday life. Companies will need to be alert for what matters most to their consumers at any given time.

International Localism

Consumers are concerned with the current upheaval in the economy, both globally and locally. Per Mintel, this has resulted in “a greater movement to protect local resources and boost local business.” This also allows consumers to feel they are giving back where they live. For example, Mintel explains “Many consumers associate local products with more sustainable practices, leading to retailers cultivating that connection by

playing up the shorter distances their local produce has to travel. Alongside that, brands are being more transparent about where and how their products are made by letting consumers look behind the scenes via livestreams, social media posts and smart packaging with QR codes.”

Intentional Spending

The current inflationary times have people focusing on their spending habits more than ever. This leads to, according to Mintel, “consumers [wanting] to make smart financial choices without sacrificing their quality of life. This goes beyond making budget-friendly choices to considering how factors like flexibility, durability, and sustainability will play increasingly important roles in the value equation.” Companies must therefore pay due regard to maintaining existing customers and attracting new ones. Those that provide clearly discernible value are more likely to win the battle for scarce consumer dollars.

Retro & Vintage Packaging

Packaging, like fashion, is cyclical. It is currently seeing a rise in desire for products and design that remind consumers of the past. Products harkening back to Boomers and Gen X childhood experiences create a sense of nostalgia and authority. Beyond that, it's fun! Today's 18-year-olds may not have been born when the television show Friends was airing live, but they can dress

like the characters. Sony, for example, released headphones that look like a cassette. If cassettes describe your childhood, these headphones will transport you back in time. If not, they're still fun to use. Brands using an old-fashioned look and feel to their packaging are using iconic branding to subtly indicate authority, quality, and longevity ([Trend Hunter](#)).

The Industry Response

The packaging industry is as complex as ever and the world is changing fast, influencing how people shop for goods and how brands package them. However, brands aren't just selling their products, they're also selling an experience, and the packaging is part of that experience. If it isn't top tier, neither is the consumer experience. For example, packaging plays a role in how easy the product was to find, if it was recognizable, and if it elicited an emotional reaction. All of these influence a purchasing decision. As such, the packaging industry truly only gets one chance to make a first impression. If anyone in the value chain makes a mistake, the whole process is at risk. 2023 trends will greatly influence how that first impression is made.

The Ubiquity of Ecommerce

Ecommerce sales now account for

> **20%** of the total retail sales

> **30%** of sales in the UK

Global ecommerce sales are expected to reach

\$5 trillion in 2022
and **\$6 trillion** in 2024

The continued role of ecommerce in today's post-Covid packaging world is not going to lessen any time soon. Today, ecommerce is continuing to grow faster than traditional retail. In several European markets, ecommerce sales now account for greater than 20% of total retail sales, and in the UK in particular, it is greater than 30%. Things have changed, and the likelihood of them returning to the way they once were is remote at best. As such, today's successful companies must optimize their ecommerce processes any way they can. For many, that is through digitization. Digital transformation targets and goals need to be continuously updated as technology as well as consumer demand evolves at a higher pace. Standing still or pausing the digital transformation journey is not an option.

Online shopping gives companies no choice but to put their products in consumers' hands virtually as if they were picking them off the shelf in the store. Luckily, in 2023, digital technology will make this possible in ways not previously anticipated. Let's take a deeper dive.

The Unboxing Experience

The unboxing trend existed prior to the Covid-19 pandemic, but it really exploded when the pandemic hit. Social media usage was at an all-time high, ecommerce sales skyrocketed, and people were home-bound. As such, we have ecommerce to thank for the unboxing trend. What better activity than ordering products you love and unboxing them on camera for other consumers to experience with you? This became what is known as the new first moment of truth, something that's integral to the customer experience. Consumers reviewing products became popular on YouTube first, and on TikTok as well. According to [Google data](#), 62% of unpacking video watchers plan to buy the product. Over 40% of buyers said they would likely share their unboxing experience if the product was in branded packaging. Now videos of consumers unboxing products is a big phenomenon. Throughout the process, the unboxers offer commentary about the packaging, messaging, and product inside. This is particularly popular with younger generations. This provides an opportunity for brands and converters to be innovative as consumers are enticed and excited by what's inside the packaging. The unboxing phenomenon is all about the experience, so get creative! If you need some examples, check out MKBHD and iJustine for inspiration ([In The Bag](#)).

Technology helps converters create the unboxing reality consumers are craving. Software from Esko, such as [ArtiosCAD](#) and [Studio](#), automate packaging processes and enable converters to preview packaging designs in 3D. Technology creates more efficiency in converters' processes and reduces the risk of errors. This supports the creation of high-quality packaging for consumers to unbox.





Digital twins increase speed to market

important to the packaging industry? Because the Metaverse is the culmination of 3D, virtual and augmented reality, and visualization technologies. More and more, companies are using 3D rendering to create virtual store shelves and homes. This helps them visualize how their products will look on a physical store shelf or in a consumer's actual home.

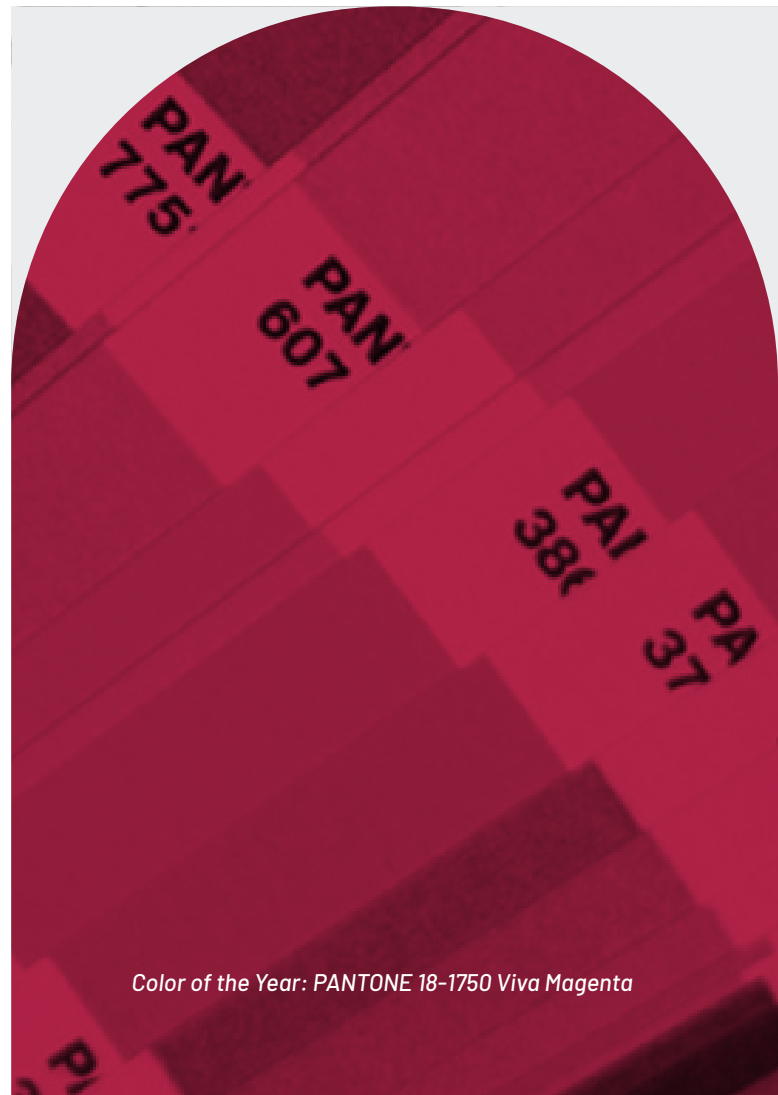
Additionally, this trend is permeating the world in which we live. For example, the Pantone Institute of Color recently released their Color of the Year: PANTONE 18-1750 Viva Magenta. Like the Metaverse, Color is about connecting to the world around us on a deeper level. Understanding how color affects our thoughts and feelings is imperative for companies to present a unique message and make their consumers feel a specific way. Pantone also understands the importance of the Metaverse. For the first time, with the release of the 2023 Color of the Year, Pantone created a new exhibition in Miami called the Magentaverse. The Magentaverse explores “the ‘dynamic between Artificial Intelligence and human creativity’ through interactive rooms featuring visual, auditory, and tactile experiences linked to Viva Magenta” (CNN). To learn more about the 2023 Color of the Year, Viva Magenta, [click here](#).

Digital Twin Technology

Ecommerce requires product photography on digital platforms to be identical to what's on the store shelf. Therefore, now more than ever, consistency between digital and physical platforms is a must. Packshots, or images of the product and its packaging, have traditionally been created manually through photography and touch-ups. However, with new technology, packshots can be generated automatically without the need for photography, so they are ready for use on ecommerce sites and promotions. Enter digital twin technology. Digital twin technology enables companies to create packshots faster than ever before. Digital twins are packshots created automatically from structural design, artwork, and specifications. These photorealistic product images are created straight from production files, eliminating the need for physical prototypes and photoshoots. This saves companies both time and money. Overall, digital twins increase speed to market and allow teams to turn conceptual products into reality faster.

The Metaverse

We can't talk about technology without mentioning the Metaverse. The Metaverse is a 3D immersive experience that allows users to have virtual interactions from anywhere in the world. Consumers will use the Metaverse to socialize, create art, compete in virtual competitions, and above all, connect. Why is the Metaverse



The Role of Technology

Packaging and technology are uniquely intertwined. More and more, packaging teams are relying on technology to meet trend-inspired demands efficiently, sustainably, and cost-effectively. Packaging software is at the core of packaging creation as it increases speed to market while increasing supply chain collaboration. This enables brands and suppliers to avoid costly mistakes that lead to recalls and increased waste. From workflow management software to palletizing solutions, technology aids brands and suppliers in increasing their productivity, creating right-first-time packaging, and protecting the environment.

The technology industry moves fast, and successful companies need to be prepared to move with it. For most, the competition is moving to the cloud and SaaS products, allowing brands and suppliers to be more agile and competitive. Of brand owners surveyed, 48% already have their systems in the cloud. Moving to the cloud creates economic benefits for companies by **reducing hosting, storage, and internal maintenance costs**.

By adopting cloud and SaaS products, companies experience the following benefits:

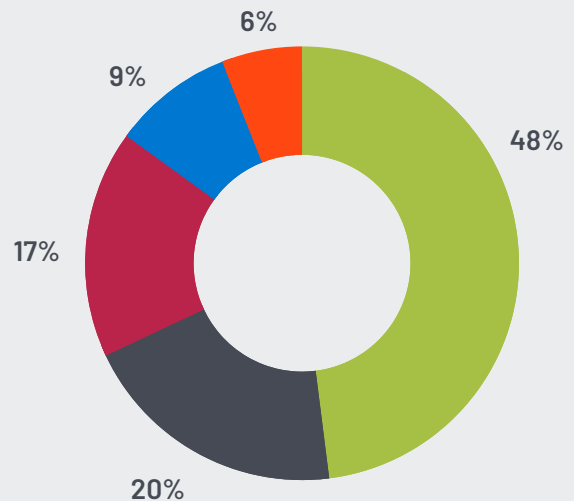
- Fewer vendors to manage
- Shorter time to implementation
- Lower costs
- Easier upgrades
- Simplified user interface
- Enhanced security
- Better compliance
- Business continuity
- Black box features
- Integration with existing systems

ROI Considerations

It goes without saying that an increased ROI is a logical expectation of investing in the latest and greatest technology. Garnering executive support to invest in new solutions will include, among other things, an analysis of key stakeholders, vendors, KPIs, product owners, and staff training requirements. Additionally, data will need to be imported, deployment, integrations, and customizations will need to be planned and implemented, and an understanding of required future upgrades and advancements will be needed. And as is explained immediately below, timing is a relevant consideration.

Embarking on complex self-managed cloud projects is the direct antithesis of short-term ROI. On-premise deployments run in your private cloud are slow and challenging, rely on expensive and rare skills, are very difficult to monitor, manage and cost control. Securing the right SaaS vendors quickly and relying on their experience will accelerate your business.

How important will it be for your company to move away from on-premise software and data storage solutions to software solutions that offer SaaS and cloud storage options in 2023?



We already have most of our systems in the cloud

Not important at all

Over 12 months

In the next 6 to 12 months

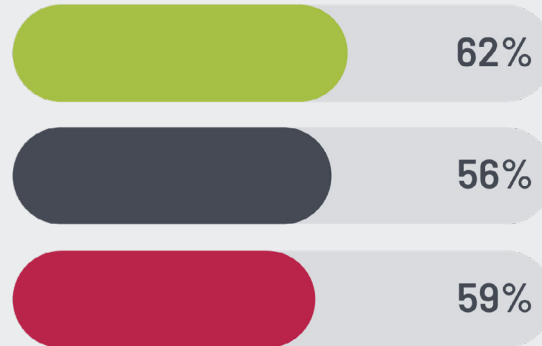
In the next 6 months

Esko December 2022 Survey - 90 Brand Owners surveyed

Digitization for Converters

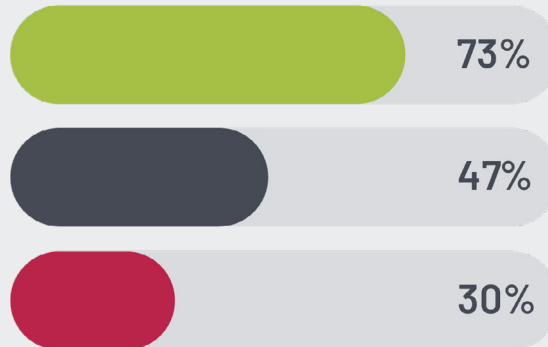
What has had the biggest positive impact on the way in which you manage your business in 2022?

- Automation
- Quality
- Standardization



What technology do you think could have the most impact on packaging in your industry in 2023?

- Automation
- Connected & Smart Packaging
- Artificial Intelligence & Machine Learning



Esko December 2022 Survey - 90 Brand Owners surveyed

Converters are focused on integrating digital tools into the workflow to create connectivity between their systems and automate their processes. In fact, 62% of suppliers surveyed in Esko's Packaging Trends survey, conducted in December of 2022, believe automation had the highest positive impact on the way they managed their business in 2022. This number is only increasing, as **73% believe automation will have the biggest impact on packaging in their industry in 2023**. Enhanced digitization leads to efficiently and accurately produced packaging in the hands of consumers. Digitization therefore changes how

converters operate. For example, digital printing enhances converter operations by speeding up press change overs, thus creating more time to produce additional jobs with the same resource. Digital prototyping has rendered physical prototyping a relic of the past. Digital prototypes are high quality and hyper-realistic, with ray tracing that enables converters to show the contents inside the packaging. Digitization also enhances environmental sustainability by saving material and inventory. Replacing manual processes with automation is not only more productive, but better for the environment.



Sustainable Packaging

Sustainability is a hot-button topic right now, and arguably one of the most important packaging trends. For instance, in a 2021 Esko survey, 71% of consumers say packaging that is “sustainable/made from renewable sources is quite/extremely important.” That number was even higher among the brands at nearly 90%! So, clearly, sustainable packaging must be at the forefront of everyone’s packaging design agenda.

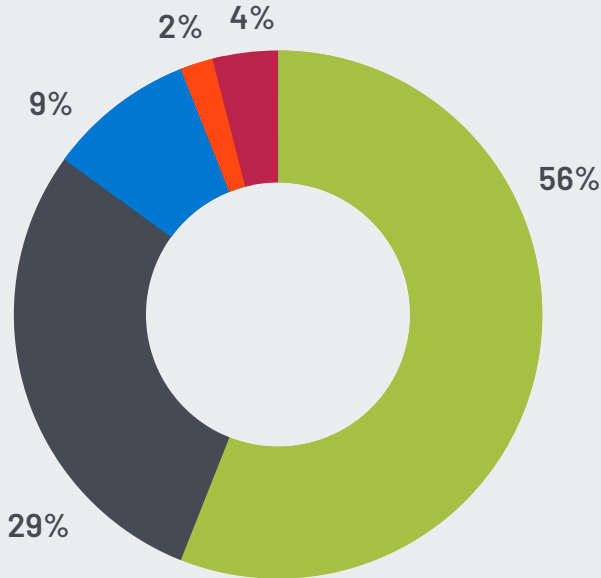
Consumers are more so looking for packaging made from renewable and recyclable materials with recovered/recycled content wherever possible. The main driver is not plastic versus paper. It’s the ease of which it can be recycled. Consumers are interested in biodegradability, so they know it’ll degrade without increasing pollution. The proof is in the pudding. **Esko recently sat down** with Tom Hallam, European Project Director for Packaging Consultancy at Smithers, who explained:

- **45%** of consumers have a more positive opinion of brands that use a limited amount or no plastics in their packaging
- **26%** can name a product or brand they’ve purchased – or not purchased – because of the environmental or social record of the manufacturer
- **42%** want to be seen as someone who buys eco-friendly products
- **67%** believe companies should take responsibility for the end-of-life disposal of the products they manufacture

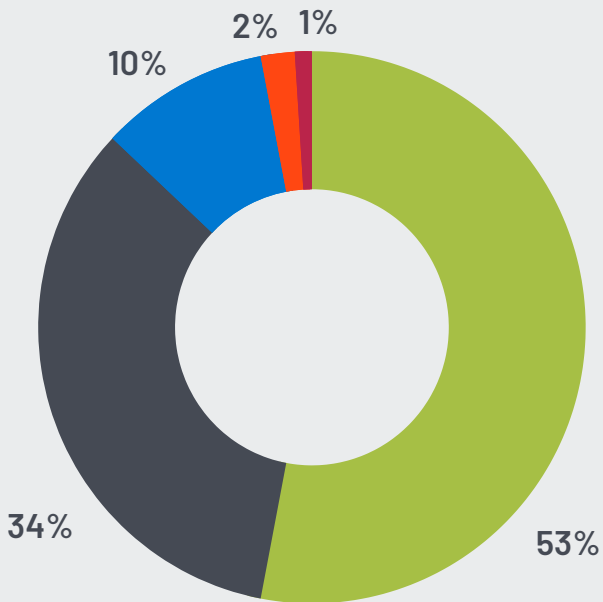
Designing for sustainability can be a challenge, but companies up to the task will reap the rewards. According to The Packaging Portal - Research by Aquapak, “52% would be prepared to pay more for environmentally friendly packaging when they buy clothes and accessories. Over two-thirds (67%) said that they want to see greater use of paper-based packaging. Our research shines a light on the appetite for more sustainable packaging from consumers, and more which is paper based.” Aquapak reported in The Packaging Portal that over half the consumers surveyed will pay more for environmentally friendly packaging. Specifically, paper-based packaging.

How important will environmental sustainability be to your company for packaging in 2023?

BRANDS



SUPPLIERS



- Extremely Important
- Somewhat Important
- Extremely Not Important
- Neutral
- Somewhat Not Important

Esko December 2022 Survey - 90 Brand Owners surveyed, 205 Print Service Providers surveyed



Brands and suppliers hear consumers' concerns about environmental sustainability. They know it's crucial to reduce the environmental impact of packaging going forward. This is demonstrated by Esko's Packaging Trends survey, in which **53% of suppliers**, and **60% of brands**, said they believe environmental sustainability will be extremely important to their company and packaging processes in 2023. To do this, a full assessment of packaging's entire lifecycle must be considered. Do you need packaging? Can it be reduced? Reused? Recycled? These questions help brands and converters determine how they can fit their practices into the circular economy model, which, according to the **Environmental Protection Agency**, is how brands can keep "materials, products, and services in circulation for as long as possible." Reducing the use of fossil fuels, using renewable energy resources, and looking for methods to save energy within the supply chain helps lower emissions, and therefore the environmental impact of packaging.

How to Create More Sustainable Packaging

While packaging plays a key role in protecting the product, consumers view too much packaging as a negative. As a result, brands are trying to use the right amount of packaging, no more and no less. Software solutions help companies maximize package design for sustainability. Palletization software, for example, calculates how to organize pallets most efficiently on a truck, minimizing wasted space and reducing carbon emissions with less trucks on the road.

Additionally, brands and converters are looking at substrate innovation and using monolayers and mono-materials to create packages that are easily recyclable and more biodegradable. Government regulations such as the EU's Green Deal, are challenging companies to work toward more aggressive sustainability goals. The Green Deal consists of 50+ regulations and legislation strongly influencing how brands and suppliers do business. Rather than solely designing packaging for the look, feel, and ability to protect the product, today's companies must also design packaging with sustainability at the forefront.

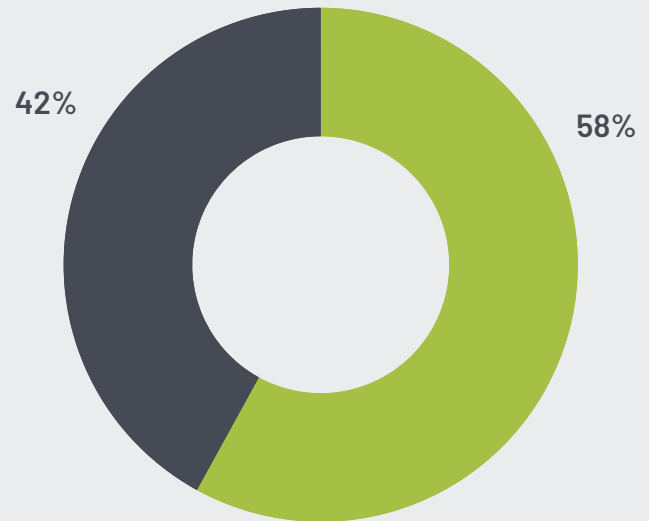
Sustainability Regulations

Stricter environmental regulations are also driving packaging development and choices. For example, the Packaging and Packaging Waste Directive (PPWD), as part of The Green Deal, is the most rigorous directive driving the agenda forward. The EU single-use plastic directive places onus on package designers to move away from such packaging, with ongoing review and consultation. **58% of brand owners** surveyed believe packaging waste, plastic regulations, and environmental claims will most impact packaging and labeling compliance in 2023. It's a clear trend that products will be subjected to more regulation going forward. A new circular economy action plan – part of the Green Deal – goal is to reach net 0 emissions by 2050. Want more information about the Green Deal? [Click here.](#)

Highlighting Sustainable Labeling

Being sustainable is great. But do your consumers know you are? Surprisingly, that's a bigger problem than you may think. Today's consumers simply don't know the various terms relating to sustainability and what they truly mean. Many products are either not clearly labeled or have only a symbol somewhere on the packaging noting recyclability. However, this causes confusion and leaves room for misinterpretation. Let's look at carbon emissions, for example. Mintel's [Global Packaging Trends 2022](#) discusses carbon reporting, and the various terms companies use to describe the impact products have on the carbon footprint. The report categorizes on-pack carbon claims as "Carbon Neutral, Carbon Negative, Carbon Positive, Carbon Balanced, Carbon Free, [and] Carbon Offset." Unfortunately, there's no rhyme or reason to the assignment of these terms and oftentimes products have contradictory labeling. The next step is to streamline labeling nomenclature to provide clarity for both package designers and consumers regarding on pack carbon claims.

What industry regulations will have an impact on your packaging and labeling compliance in 2023?



Packaging Waste (PPWR), Plastic Regulation & Environmental Claims

Other*

**Other includes less than 2% each of the following industries: Canadian Health Regulations, FDA, Proposition 65 - Californian laws, USDOT - US Department of Transportation Regulations, Electronic Leaflet, USDA - U.S. Department of Agriculture Regulations, Cannabis Regulation, Product Copy Right Cost, EU MDR, Popia - Protection of Personal Information Act, E-labelling, 21 CFR 800, RFID, Ink Changes, Track & Trace Serialization, ISO/GMP/HACCP/BRC*

Esko December 2022 Survey - 90 Brand Owners surveyed

Examples of Innovation in Sustainability

Smurfit Kappa UK

Smurfit Kappa UK has introduced an innovative new packaging solution for detergent pods and capsules. The child-proof TopLock Box provides a safe, convenient, and sustainable alternative to the traditional plastic container/box for laundry products. The TopLock Box is a 100 percent plastic-free solution made from paper-based packaging, which is renewable, recyclable and biodegradable. It has significant environmental benefits and offers a 40 percent carbon footprint reduction in comparison to the traditional rigid plastic tubs found in supermarkets.



Coca-Cola

Graphic Packaging International partnered with Coca-Cola bottler to launch **KeelClip™** in Europe. It is estimated that the KeelClip saved over 3 million pounds of plastic in 2021 and was used with over 550 million packs worldwide.

Buen Vato Tequila

Glass is the best recyclable container for tequila, right? It's probably shipped in a corrugated case. Buen Vato took it one step further and made the bottle out of paper-based packaging, which is renewable and recyclable! First wine in a box, now tequila. The result: 84% less CO₂ emissions, a lighter load to transport, and 6-times less energy and less water to produce it.

Let's Talk About Smart Packaging

As the term implies, smart packaging is packaging enhanced by technology. Smart packaging helps companies protect their products, control the quality of their packaging, and connect to their consumers by creating new experiences. According to Touchcode, the various types of smart packaging, and their functions, include:

Intelligent Packaging contains sensors that monitor the condition of the enclosed product. A prime example is food packaging where a sensor may monitor moisture content.

Active Packaging actually modifies the condition of its contents to preserve them over time. Active packaging is used in the food and beverage packaging industry where specific materials are used to "extend the shelf-life or to maintain or improve the condition of packaged food" (**Institute of Food Technologists**). According to the IFT, this is done through components with abilities to "release or absorb substances into or from the packaged food or the environment surrounding the food."

Connected Packaging creates an interface between the product and consumers where a product's code on the package allows consumers to interact with the product in some way. An example of this is a brand using a QR code to send users to a specific site with exclusive content.

It goes without saying, none of the foregoing is accomplished through pen and ink. Digitization is the brains of smart packaging.

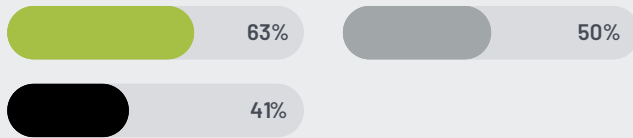
Margin Compression

2023 will be notable for continued supply chain disruptions. Many companies have felt the continuing effects from Covid-19 and see no end in sight. Both brands and suppliers are feeling the effects, with **63% of suppliers and 73% of brands** surveyed stating the compression of margins due to rising costs of materials as their biggest challenge heading into 2023. According to Supply Chain Brain, concerns include “rising interest rates, high inflation and geopolitical uncertainty, and a resultant pull-back in consumer confidence.” Margins are being compressed as resources, such as fiberboard, inks, and metals remain scarce, and inflation spikes the cost of materials as well as daily living. Continued labor shortages and the rising cost of fuel makes shipping expensive. Consequently, packaging manufacturers and brands need to find ways to improve internal efficiencies and cost/waste savings. This is a suitable area for technological enhancements and companies are ready to implement new solutions, such as those offered by Esko. Both brands and suppliers are focused on streamlining their processes to reduce waste in 2023, with the percentages being **64% and 63% respectively**.

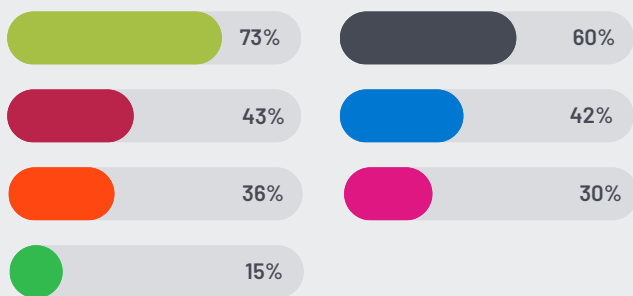
Additionally, sustainability is directly impacted by the supply chain. There is increased pressure to use new substrates, which is better for the environment but more costly in the end-run. However, as previously discussed, consumers are willing to absorb a portion of the cost to reduce their carbon footprint.

Which trends present the biggest challenge for your business in 2023?

BRANDS



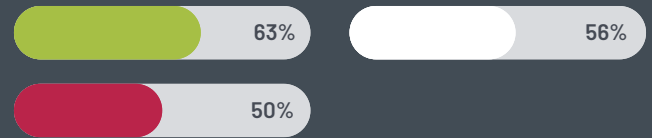
SUPPLIERS



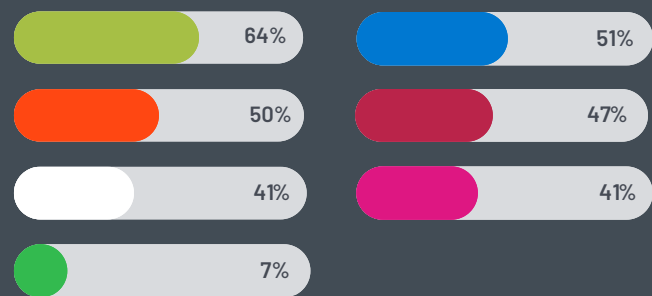
- Compression of margins due to rising costs of materials
- Continuing changes in consumer behaviors
- New Regulations
- Shift to Ecommerce
- Other
- Skills and personnel shortages
- Environmental Sustainability
- Digital Transformation
- The Energy Crisis

What will be the primary focus for your business in 2023?

BRANDS

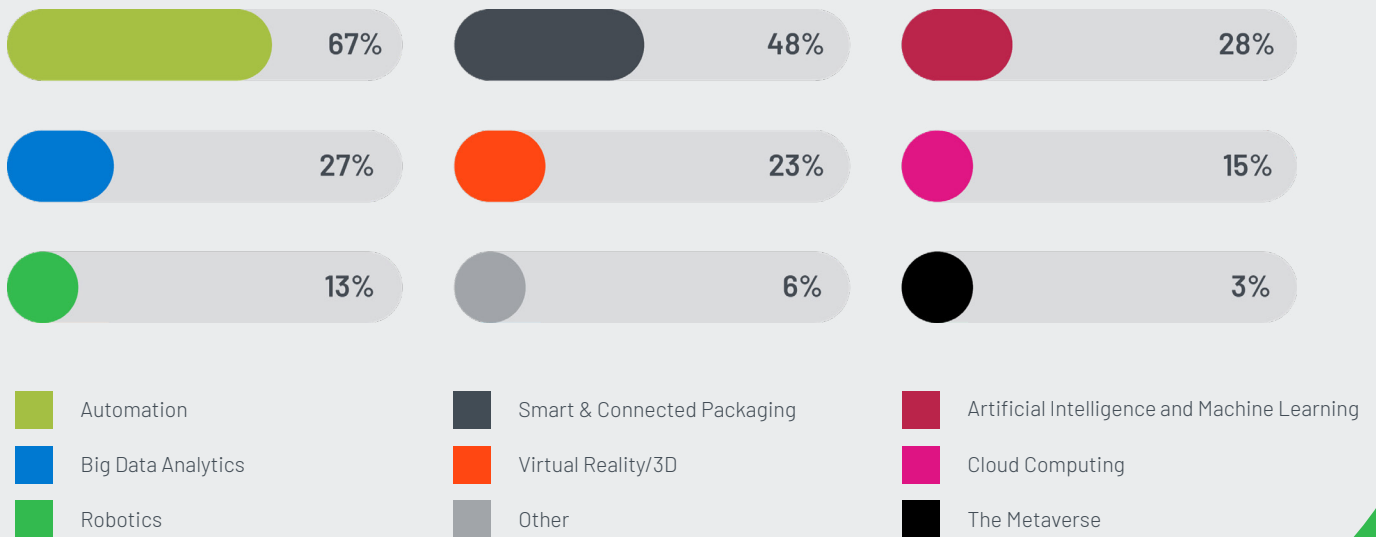


SUPPLIERS



- Streamlining processes to eradicate waste
- Increasing speed to market
- Cutting operational costs
- Other
- Introducing more automation
- Driving forward sustainability programs
- Standardization

What technology do you think could have the most impact on packaging in your industry in 2023?



Esko December 2022 Survey - 90 Brand Owners surveyed

Converters and brand owners are feeling the pressure. Therefore, they must support the needs of their customers while combating their own challenges. Digitization is key, as automation and technology will help them streamline their processes, cut costs without affecting productivity, and make up for lost margins. **67% of brand owners** surveyed believe automation will most impact their process in 2023.

Conclusion

Packaging has had multiple functions: to protect and conserve the product, to transport the product, to provide product information to the consumer and to sell the product. In recent times, this hasn't changed that much, but the importance of packaging in the marketing mix has become much higher for brands. The pressure to create packaging right is now greater than ever. Today, it's a high-tech, interactive, value expressive, and environmentally relevant experience. Companies must therefore adopt multi-faceted strategies necessary to integrate their products into all aspects of their customers' lives.

One thing is certain, the only constant is change. As ecommerce demand continues to increase, and sustainability pressures mount, consumers are in the driver's seat setting the rules for the future of the industry. Automation will equalize the playing field and permit the industry to keep up with existing and emerging trends.

About Us



Esko helps its customers make the best packaging for billions of consumers. Our product portfolio supports and manages the packaging and print processes for brands, retailers, designers, premedia and trade shops, packaging manufacturers, and converters.

Esko solutions are used in product content and packaging management, asset management, artwork creation, structural design, prepress, 3D visualization, flexo plate making, workflow automation, quality assurance, sample-making, palletization, supply chain collaboration and/or the production of signage and displays.

The Esko family includes Enfocus, with its PDF quality control tools and automation solutions and MediaBeacon, with its digital asset management (DAM) solutions.

www.esko.com



X-Rite Pantone is the global leader in color science and technology. The company develops, manufactures, markets and supports innovative color solutions through measurement systems, software, color standards and services.

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Mox is a product of Esko, a global provider of solutions that accelerate the go-to-market process of packaged goods. Leveraging Esko's experience with top consumer product companies and their ecosystems, Mox brings best-practice software for companies of all sizes to increase productivity, reduce costs, and save time in their content creation process.

<https://moxsoftware.com/>