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It's all about the packaging

Crucial role of packaging

The best brands consistently win two crucial moments of truth. The first moment occurs at the store shelf, when the consumer decides whether to buy one brand over another; the second moment occurs at home, when the consumer uses the product.

Packaging plays a crucial role in the first moment of truth and has an essential marketing role. But packaging involves more. It holds important manufacturing and logistical implications, and it is governed by strict legislation.

The marketing message

The power of effective packaging is such that, on the one hand, it may conceal inferior products; on the other hand, it may downgrade a high-quality product. Ideally, effective packaging is an inherent element of a brand, bolstering the potential of great products.

So, when developing effective packaging, one should ensure the withheld packaging solution:

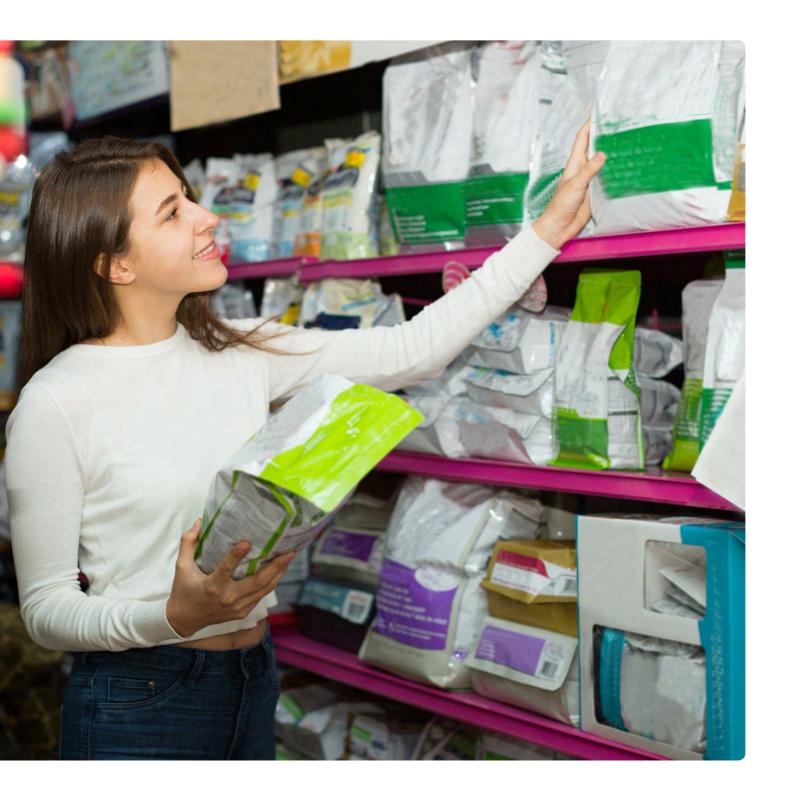
- stands-out through the use of colours, the type of packaging, the materials used, its format and the use of claims. Be inspired by other industries (Pinterest is a great starter).
- is functional. Effective packaging is easily recognizable, easy to open and reseal, quarantees long shelf-life, allows for portion control and is logistics friendly.
- is sustainable. This is increasingly important today. Consider the use of lighter, eco-friendly materials, and seek to avoid unnecessary throw-aways.

Manufacturing boundaries

Many projects take up more time than expected because of difficulties to find efficient ways to fill and or package the products. This is even more pressing when working with co-manufacturers and co-packagers. Finding the right partner can be challenging and should be considered up-front.

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BOTTOM LINE The power of packaging is not to be underestimated. Packaging influences consumer decision greatly, even before a judgement can be made about the product within. Packaging has also logistical and legal boundaries. Labelling is a complex and a challenging process as well.



Logistical boundaries

Eventually, the goods will have to be transported to a warehouse, stored, transported to a shop, stored, transported to the consumer and stored. Each of these steps cost money. The least space a unit of your product takes up, the lower your logistical cost.

Depending on the positioning of your product (budget versus premium product), the cost of packaging, manufacturing and logistics is either to be viewed as a cost item or as part of the advertising budget, a key difference often overlooked.

Legal boundaries

Packaging legislation is complex and constantly changing. So, it is vital to have a legislative expert on board when developing new packaging.

Applicable legislation

The 'Code of good labelling practice' \(\mathref{C} \) , published by Fediaf in October 2011, is a good starting point, as it summarizes the applicable legislation in a highly readable document. One of the most important directives is Regulation 767/2009 on the placing on the market and use of feed sets out the basic rules. In addition, Regulation 68/2013 on the catalogue of feed materials, Regulation 1831/2003 on the register of feed additives, and Directive 2008/38/ EC establishing a list of intended uses of animal feeding stuffs for particular nutritional purposes are highly relevant, be it in terms of how to write certain ingredients (in all EU languages) or in terms of additional boundaries for claims. Finally, advertising of pet food products is also governed by the EU's general advertising rules under Directives 2006/114EC and 89/552/EEC.

Important note: as legislation is rapidly changing, scanning EUR-lex is a prerequisite.

Claims

Marketing claims are one of the most common communication tools used for products to stand out. According to EU law, claims should be objective, verifiable by the competent authorities and understandable by the user. A distinction can be made between three types of claims:

- Content claims: refers to the presence of a particular ingredient. Depending on the wording of the claim (e.g. 'rich in beef'), the minimum threshold for inclusion of that ingredient changes, resp. >0%, 4%, 14%, 26% and 100%, and must be put on the packaging;
- Product descriptors: the Fediaf code of good labelling practice covers the use of a number of terms such as 'natural', 'fresh', 'real', 'light', and 'organic'. While the use of these terms is not necessarily regulated by EU law, the general guidelines as for any claim apply;
- Functional claims: refers to the effect a product may have on the growth, development or normal functions of the companion animal. A distinction is being made between nutrient function claims (e.g. 'for strong healthy bones'), enhanced function claims (e.g. 'to support the immune system'), and health maintenance claims (e.g. 'prevent hairballs').

Note that functional claims should be clearly separated from particular nutritional purposes diets. These are diets with specific therapeutic purpose, most often provided in the context of a treatment by a veterinary to e.g. cure a specific disease (e.g. diets aimed at the reduction of ingredient and nutrient intolerances). Additional labelling guidelines apply for these diets are governed by Directive 2008/38/EC.

Main takeaways for labelling

EU legislation states that information communicated about products, must be truthful, objective and substantiated and that it must not mislead or deceive purchasers.

The language used for labelling shall be in at least the language or one of the official languages of the Member State or region in which it is placed on the market. The packaging shall clearly indicate:

- Whether the product is complete or a complementary;
- ★ Whom the product is intended for;
- The ingredients used by specific name or category, in descending order by weight (worded as in EU 68/2014). In addition, for any ingredient that is emphasized on the packaging in words, pictures or graphics, the percentage of weight shall be indicated;
- ★ Analytical constituents of the product;
- Additives with a legal maximum, worded as in EU 1831/2003:
- The name or business name and the address of the operator responsible for the labelling;
- ★ The batch number and the approval number allocated to the producing establishment;
- ★ The net weight or volume;
- ★ The minimum storage life;
- ★ A free telephone number or other appropriate means of communication.

A full list is available in the Fediaf code of good labelling practice and in the appropriate EU legislation.

Let's get started

So, your company is about to develop new packaging for an existing or new product. What's next?

- STEP 1 What's the story? Who is the product intended for? How will it be used? What sets the product apart from other products in your sector? What's the target retail price for the product?
- **STEP 2 Get inspired.** Go on a field trip and visit packaging fairs, walk the high street (not the local pet shop) to spot new trends and browse the web.
- step 3 Build your multi-disciplinary team. If one thing is clear, then it is that designing packaging is no longer the exclusive domain of the packaging designer. Effective packaging design involves starts with the strategy team, and further involves nutritionists (which ingredient to emphasize?), manufacturing (what are the implications on the supply chain?), logistics (what will be the total cost of handling?), finance (impact on unit costing?), and legal / quality control (legal compliance).
- step 4 Develop, test, and iterate. The actual development of packaging is an iterative process with various members of the multi-disciplinary team chipping in and out of the process all along. Testing is a key word in this process, i.e. testing the dimensions (does the indicated weight fit the bag?), testing the legal requirements, etc. Given the cost of packaging decreases exponentially with high volume, the cost of taking a miss are simply too high.

The process may take from two months to more than a year. Whereas minimizing the time of the packaging development process is not a goal in itself, too lengthy processes are ineffective and hamper strategic flexibility, a core competence successful companies share in today's ever faster evolving world. •

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