

Making the right kind of impact



How we are helping Beer & Cider brewers
meet the challenges of a changing world

The Power of Less®





The world is changing faster than ever. Meet a packaging partner that will help you keep up

The European Beer & Cider market is one of the largest in the world and has seen dynamic shifts in consumer behaviour over recent years. From the thirst for craft beers to a taste for low and zero alcohol variants. The premiumisation of alcohol to the steady growth in online sales.

Now recent world events and alterations in shopping habits have accelerated change and potentially shifted the way we buy Beer & Cider forever.



From our supermarkets to our corner stores, we want to find our favourite drinks quickly and easily in one place, so we don't have to shop around. We're looking for greater value and convenience, as we switch from small, regular shops back to making fewer, bigger trips. We expect to make more purchases online, delivered quickly and securely to our homes to suit our lifestyle.

And of course, we want all this from brands that we trust to take better care of our planet.

There's never been a more important time to think innovatively about your packaging.

Now recent world events and alterations in shopping habits have accelerated change and potentially shifted the way we buy Beer & Cider forever.

What's happening in the European Beer & Cider market?

Sales are up...¹

Europe now consumes 20% of the world's beer² and 55% of its cider.³ Even after the Coronavirus pandemic, the global beer market is still expected to grow annually by 9.4% (CAGR 2020-2023).⁴ Sales are rising dramatically in the low and non-alcoholic category, up 30% in the UK since 2016,⁵ up 30% in Ireland and 80% in Poland.⁶



....But so are the challenges you face



Increase in competition

Breweries across the EU have seen an 85% increase in competition over 5 years.⁷ **Making an impact on-shelf is more important than ever.**



Changing shopping habits

Industry insiders suggest Covid-19 may have advanced the evolution of online alcohol sales by up to 3 years - in just 3 months. **You cannot afford to ignore new ecommerce channels to market.**



Problem pollution & plastic

Your customers are calling for sustainability to be built into everything you do, or you face falling sales and de-listing. **You urgently need to find ways to remove plastics from your supply chain, reduce CO2 and be more environmentally friendly.**

At DS Smith's PackRight Centres our strategists and designers are hard at work. Creating customised, sustainable packaging solutions to meet the challenges facing brewers like you today.



01

Challenge:
Increased competition



Making the right kind of impact on-shelf

3 major challenges facing Beer & Cider brands in-store

- 01 85% rise in competition over 5 years
- 02 Only 2 seconds to be noticed on-shelf
- 03 Fewer Opportunities to See (OTS) - 'The new normal'

It's vital you are visible

Impact on-shelf has always played a major role in driving sales. Over 70% of purchase decisions are made after your customers enter the store.⁸ Yet despite this, shoppers only look at a fraction of the products on display.

Attention spans are short - on average less than two seconds⁹ - and over a third of customers will buy an alternative brand if they can't easily see the beer or cider they're looking for on the shelf.¹⁰

Our latest consumer insight also shows a 'new normal' has arrived, where big shops replace more frequent, smaller shops and over half of UK shoppers for example saying they are visiting supermarkets less. A habit that 1 in 4 shoppers say they expect to continue long-term.¹⁰

So that now, at a time when it's even more crucial for your product to stand out, there are fewer opportunities to achieve it.

Over 70% of purchase decisions are made after your customers enter the store.

How our packaging solutions can help you stand out on-shelf

We can help brewers like you to compete at fixture with our innovations in packaging design and print capability.

Our partnership with leading European packaging research group Eyetracker shows that with the help of impactful Shelf Ready Packaging (SRP) shoppers find what they're looking for 10% faster¹¹ and 80% of retailers report impactful SRP can deliver a sales uplift of 4% or more.¹²

Our bespoke solutions include:

- Consumer packs that support the look and feel of your brand
- Print quality that matches your production price point & positioning
- Shelf ready packaging designed with ease of implementation in store
- Pack designs with great surface areas for high quality print - even on small quantities
- Differentiation in store, making for easier navigation
- Innovative POS.





Increased competition

3 challenges. 3 ways we help

01

Demand a second look with digital printing



Our digital printing capabilities make disruptive promotional, seasonal and exclusive versions of your packaging a commercial reality.

We can print as few as 5,000 units per design and deliver multiple prints in a single run, without having to stop each time to make ready. To help smaller brewers, we can even bundle the print runs of more than one brewery on a single machine. What's more, because we also have the UK's largest digital printer, we can easily turn the tap on larger volumes too, planning up your designs to maximise each 2.8m-wide sheet and generating operational efficiencies and cost-savings.

71% of craft beer drinkers try brands with bold and interesting packaging.¹³

02

Differentiate with 'fridge-friendly' can packs



With more of us enjoying our favourite Beer and Cider at home, we're looking to replicate the experience of drinking in pubs and bars as closely as possible, including chilling our lagers and ciders to just the right temperature.

We are currently designing innovative fridge packs that fit neatly on the shelf and automatically present the next can every time one is removed. Without having to tear open packaging or remove it from the fridge. We are also using our experience in how packaging behaves in cool climates to maintain the appearance and integrity of your packaging even when chilled.

To help smaller brewers, we can even bundle the print runs of more than one brewery on a single machine.



Increased competition

03

Shout louder with better display areas



Shopping missions are returning to fewer, bigger shops and therefore planning ahead and stocking up will take priority over meals and drinks for 'tonight'.

Available in every shape and size, our point-of-sale displays put our customers' products centre stage and we can supply customised and unusual shapes. For our client AB InBev, we designed castle-themed POS to support a Bud Light promotion in wholesalers that resulted in an 86% uplift in sales. The distinctive displays also drove interaction with store colleagues, with some dressing up in medieval costumes and uploading photos to social media – spreading the promotion far beyond the store.

Beer drinkers are 12.5% more likely to buy a product because it was on a display as you enter the store.¹⁴

You're invited to be inspired

For more ways to make your packaging stand out on-shelf please get in touch with us. Our PackRight centre teams can explain how our solutions can give you a competitive advantage and help you succeed in a changing world.

[Get in touch and talk to our PackRight Centres.](#)

Did you know...

Research by Nielsen shows that almost half (47%) of millennials do their shopping around the perimeter of the store. So packaging in the Beer & Cider aisle needs to work harder to be noticed.



02



Challenge:
Changing shopping habits



Making the right kind of impact in ecommerce

3 major challenges facing selling your brand online

- 01 Protecting products in transit (from damage, tampering and theft)
- 02 Addressing concerns over excess packaging
- 03 Wowing your customers in their own homes

You need to get online quickly and safely

Recent world events have dictated that staying home is the new going out. Even as bars and restaurants slowly re-open, all the indicators are that it will be some time before on-trade footfall and sales return to pre-Covid-19 levels.

This presents serious problems. In Germany, for example, where between 80%-90% of craft beers are sold through restaurants,¹⁵ the survival of even centuries-old breweries is at risk. Whilst across Europe small brewers have lost an entire summer of festival trade and tap rooms have been closed.

Beer & Cider brands need to move quickly, to sell online to survive – and take advantage of the significant opportunities that exist, from sales to sampling, personalisation to subscription models.

...many industry insiders believe Covid-19 has just fast-forwarded the impact of ecommerce on sales by three years, in just three months.

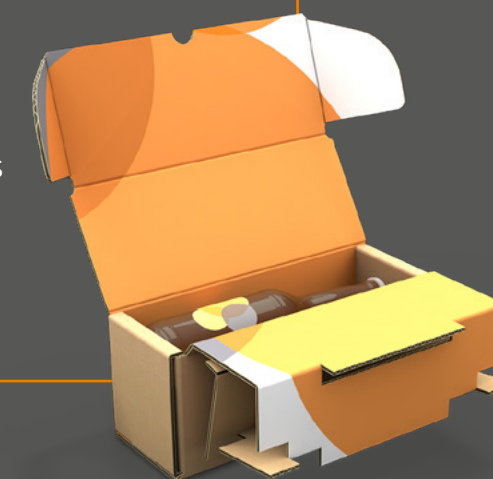
How our packaging solutions can help you stand out online

We can help brewers like you to get online with our innovations in ecommerce packaging design, robust testing methods and our unrivalled insight into the complexities of supply chains across Europe.

Before Covid-19, 8% of all consumers globally had already bought alcohol online. This figure rose to 14% in Germany and, in the UK, as many as one in five adults had purchased alcohol this way¹⁶, making the UK the world's 3rd biggest buyer of beer and cider online. We can help you with innovative, scalable packaging solutions that get you online quickly and safely and support you as you grow. Our ePack site also offers a simplified range of off-the-shelf packaging solutions.

Our bespoke solutions include:

- Packaging that survives the rigours of complex commerce supply chains
- Securing products against tampering and theft
- Delighting customers with personalisation, limited editions, collectibles and the quality of print
- Solutions for mixed cases
- Providing a convenient system for returns
- Direct to Consumer engagement e.g. QR codes and imbedded LinkReader technology
- Traceability and tracking your products in the delivery network.





3 challenges. 3 ways we can help

01 Arrive intact with DISCS™



Our research suggests more than a quarter of shoppers wouldn't order again from a retailer who sent them a poorly packaged product. 75%¹⁷ of those who received a damaged product returned it and requested an exchange. Before working with us, one of our clients operating in the beverage industry found that 1.8 per thousand of their damaged primary packaging was returned without even being opened, regardless of the condition of the product inside.

The ecommerce supply chain is up to 10x more complex than a traditional supply chain. Your Beer & Cider package can go through as many as 50 different touch points and can incur damage at any point. Using DISCS™ our industry leading real-world packaging testing process, we can scientifically assess your brewery's requirements, review the risks your products face in transit and tailor a solution to match. A methodology that is proven to cut your returns by over two thirds.

02 Safety or Sustainability? Have both



39% of all shoppers who have bought online are concerned by excess packaging.¹⁸ So whilst your customers don't want to receive broken bottles or crushed cans, they've made it equally clear they don't want wasteful packaging either.

Striking the right balance between protecting your goods and limiting the amount of materials used is a major consideration for anyone selling online. On average in ecommerce, 55% of each box is empty or filled with unnecessary packaging.¹⁹ Our bespoke, sustainable solutions eliminate void fill, improve operational efficiency & lower transportation costs and, by applying our revolutionary PACE programme standards, ensure no more packaging is used than absolutely necessary.

What is PACE?

Our significant investment in packaging technology, from paper fibre to pack design and manufacture, has enabled us to develop a revolutionary breakthrough that will deliver exceptional, consistent packaging performance, time after time. This innovation, based on rigorous technological advancement and testing, is known as the PACE programme.

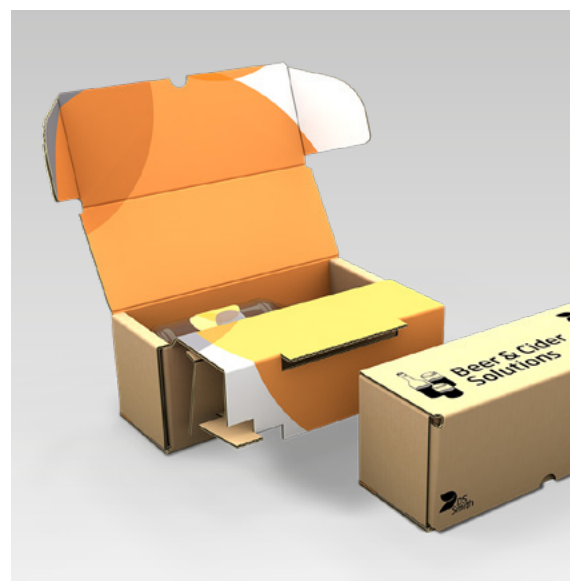
PACE stands for: **Performance, Assurance, Consistency, and Environment** promises:

- Clear performance specifications
- Clear conformance criteria
- Reliable consistent packaging
- No unnecessary cost or risk
- No more material than absolutely necessary.



03

It's much more than beer in a box



Don't make the mistake of believing the taste of your brew is all your customers are seeking. To reach the new generation of consumers, the way your Beer & Cider arrives packaged needs to stand-out. 58% of online shoppers now buy a product after looking up images and unboxing videos on social media.²⁰ 85% of millennials are more likely to make an online purchase if it's personalised.²¹ Moreover, if your packaging is Instagrammable, your brand profile will be given an extra boost.

Our 100% bespoke, sustainable packaging solutions are designed to stand out, protect your product and work seamlessly with your production lines. With innovative designs, superior 'Hi-flex' papers and digital printing that makes genuine personalisation and quality presentation possible. To add to the experience, we can design you a total packaging experience, including innovative LinkReader technology, that your customers will be excited to share.

58% of online shoppers now buy a product after looking up images and unboxing videos on social media.

You're invited to be reassured

For more ways we can get you online quickly and safely, talk to us at one of our PackRight Centres. We'll explain how our ecommerce packaging solutions can give you a competitive advantage and help you succeed in a changing world.

Although we also offer off-the-shelf packaging solutions through our ePack website, our designers can create 100% sustainable, customised solutions in as little as 2 weeks, to really help your Beer or Cider make an impact when it's delivered.

[Talk to us](#)

Did you know...

55% of online customers said they would purchase from websites again if their products come in customised packaging.²²



03



Challenge:

The sustainable advantage



Making the right kind of impact in sustainability

3 major sustainability challenges facing Beer & Cider brands

- 01 Eliminating plastic from the supply chain
- 02 Reducing CO2
- 03 Finding production methods that have less impact on the environment

It makes sense to act sustainably

Your customers are increasingly concerned about the impact of the products they buy on the environment. Three quarters of all European consumers are worried about the issue of plastic packaging.

In the UK, nearly nine in ten people (88%) who watched Blue Planet II about the effect of single-use plastics on our oceans changed their behaviour as a result.²³ Across the world, students are walking out of classrooms on climate strike and the public are frustrated that current commitments to reducing CO2 are failing to deliver real change. Meanwhile, employee activism is forcing companies worldwide to consider their own sustainability and carbon reduction plans.

Over 550 companies have now set emissions reduction targets and align their own carbon reduction strategy to meeting the Paris Climate Agreement.²⁴

Of all the plastic waste produced since 1950, only 9% has been recycled²⁵ and the world needs an 80% reduction in emissions by 2050 to limit warming to 1.5°C and prevent catastrophic climate change.²⁶ The requirement is clear. Removing single-use plastic from our supply chains and the rapid, widespread decarbonisation of our economy is needed.

How our packaging solutions can help to improve sustainability

Many global brands, retailers and manufacturers have already committed to using 100% reusable, recyclable or compostable packaging by 2025. In addition, some brewers have already committed to lowering absolute carbon emissions by 50% within their own operations and by 20% across value chain by 2025.²⁷

Our designers have already created a range of sustainable alternatives for the single-use plastic used in the Beer & Cider sector. Even minor changes to existing packaging design can create a domino effect that reduces your carbon footprint by taking hundreds of delivery lorries off the road.

Our bespoke solutions include:

- Sustainable alternatives for single-use plastic used in Beer & Cider packaging
- 100% recyclable packaging
- Packaging with full chain of custody accreditation
- High quality, environmentally friendly printing inks
- Corrugated board solutions with the highest recycling rate of any packaging material in Europe
- Proven ways to reduce delivery journeys, cut carbon and increase supply chain efficiencies.





3 challenges. 3 ways we help

01

Goodbye plastic



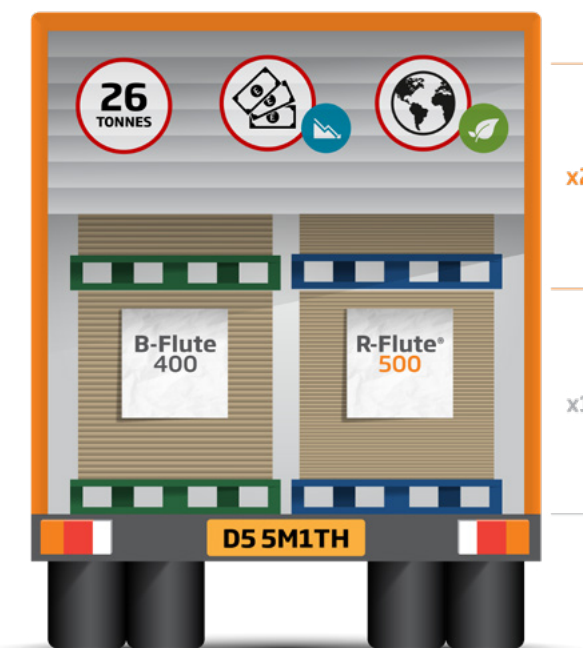
Each year over 20 million tonnes of plastic packaging is produced in Europe and globally 8 million tonnes of plastic waste enters the oceans.²⁸ Our research shows the majority of consumers are prepared to pay more for packaging with less plastic - 72% of Polish people, 63% of Germans and 61% in the UK.

Our packaging designers have developed over 650 designs focused specifically on plastic replacement and have identified five areas within supermarkets where 1.5 million tonnes of plastic could be replaced with fibre alternatives by 2030.³⁰ These include a range of sustainable alternatives for multi-can carriers, can clips and fully-enclosed, high-sided trays to replace plastic film. In Germany and the UK our teams have been working on box designs which eliminate adhesive plastic tape - innovating with different closure mechanisms. Implementing these designs with one of our customers has already eliminated 18,000km of plastic tape - enough to stretch halfway around the world.

Our research shows the majority of consumers are prepared to pay more for packaging with less plastic.²⁹

02

Cutting CO2



Even minor changes in your packaging design can make a huge difference throughout your supply cycle and we work with partners to create tailored 'distribution efficient' packaging that cut carbon footprints and reduce delivery miles. 122 million tonnes of CO2 is emitted by shipping empty space each year.³¹ Just a couple of millimetres reduction in your box size can take hundreds of lorries off the road each year.

And it's not just your 'Goods Out' where reductions in CO2 emissions can be made. Switching from heavy weight solid board packs to suitable corrugated alternatives like our R-Flute® packaging can reduce packaging volume and weight, reducing the number of deliveries to your brewery. For one of our large brewery customers in the UK this has led to a 35% decrease in the number of pallets being delivered to their warehouses - which also means potentially 35% less warehousing space to light and heat too.



03 Protecting natural resources, from woodland to water

71% of beer drinkers in the UK think it's important for beer brands to be environmentally friendly³² and 91% of all consumers believe it's important for packaging to be sustainable.³³

A new study has revealed that European adults admit to throwing 41% of their recyclable material into general waste and nearly three-quarters said they were not clear which types of packaging can and can't be recycled. This confusion over recycling means that across Europe more than 46 million tonnes of rubbish unnecessarily goes into landfill or incineration each year and natural resources like our woodland are being squandered.³⁴

In Europe, our packaging contains an average of 89% recycled content per box and we also have full [Chain of Custody accreditation](#) which ensures that any virgin fibres in our products do not originate from deforested areas – with each cubic meter of wood saved



preventing a total of 2 tons of CO2 entering the atmosphere.³⁵ But we also believe there is a desperate need for consistent design to help cut through the confusion in the recycling of packaging to protect both resources and value. Which is why we have created 5 principles of Circular Design with the Ellen MacArthur Foundation. Read more about them on the page opposite.

Did you know...

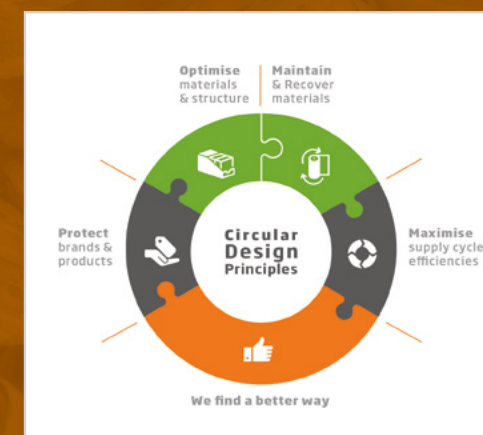
The corrugated board we use in our packaging is already a fully circular material and on average it is recycled 25 times around the system.

You're invited to be surprised

Sustainability needn't be a cost. Eliminating single-use plastic and reducing CO2 can attract and retain customers and deliver efficiencies and value savings throughout your supply chain. At our Impact Centres you can discover practical easy steps you can take to deliver cost-effective sustainability benefits.

Our 5 principles of Circular Design

1. We protect brands and products - packaging protects products, and all the resources invested in them
2. We use no more material than necessary - optimised use of packaging materials saves resources and reduces waste
3. We keep packaging materials in use - quality, durability and recyclability are key to keeping packaging products and materials in use for as long as possible, eliminating waste
4. We design for supply cycle efficiency - packaging makes supply chains more efficient, from converter to consumer
5. We find a better way - living our values we challenge ourselves and our customers to develop more circular packaging solutions





Ready to make the right kind of impact?

Our packaging designers and strategists are working closely with our customers to meet the major challenges facing breweries across Europe today.

We are making Beer & Cider brands stand out at fixture. Helping smaller brewers to develop urgently needed ecommerce channels – finding innovative ways to protect products and optimise supply chains. We are designing plastic out of Beer & Cider packaging, reducing the carbon impact of the just-in-time supply chain and reducing the end-of-life impact of packaging.

What's more we are doing all of this whilst protecting the earth's precious natural resources at the same time.

With many EU countries considering implementing cost incentives for packaging which considers eco-design and taxes for non-recyclable packaging, there's never been a better time to talk to us.

When you visit one of our PackRight centres you can experience collaborative, interactive sessions that will help you create bespoke packaging solutions that generate the maximum impact for you. Our dedicated team of experts, supported by our revolutionary tools and insight-led approach, will develop and deliver sustainable solutions focused on increasing your sales, reducing your costs and managing your risks.



Contact us

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[Or send us a message](#)

www.dssmith.com

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