

**BENORI**



## **Rethinking Sustainable Packaging in FMCG**

Sustainable packaging in the Fast-Moving Consumer Goods (FMCG) sector is evolving rapidly. Initially focused on protection and convenience, packaging now embraces environmental considerations. The shift towards sustainable packaging began in the 1970s, gradually adopting eco-friendly materials and designs. Today, it gains prominence as consumers and regulations demand greener alternatives.

FMCG companies are now taking an active interest in investing in innovative solutions like plant-based plastics, reusable packaging, and improved recycling processes. There is a realisation that such measures not only reduce packaging waste but also position the sector as a leader in environmental stewardship, taking the initiative for positive change. As a major producer of packaging waste, the FMCG industry has a crucial responsibility, and by extension, an important role to play in driving sustainable practices and meeting the growing consumer demand for eco-friendly products.

In the FMCG industry, minimising packaging expenses is vital, despite the higher cost of recycled plastic compared to new plastic. FMCG companies are rapidly innovating to meet consumer demands and address sustainability concerns. The future of packaging will likely embrace biodegradable materials, minimalistic designs, and smart technologies for tracking and reducing waste, ensuring a sustainable path forward for the industry.

## Emerging Trends in Sustainable Packaging

The growing focus on sustainability, particularly driven by regulatory and public concerns about single-use packaging waste, is merging with other influential trends to drive substantial changes in consumer packaging. Governments worldwide are implementing initiatives, for example, the Indian government introduced Extended Producer Responsibility (EPR), requiring companies to manage the entire lifecycle of products, including post-consumer disposal. Additionally, some governments enforce clear labelling on packaging to inform consumers about recyclability, biodegradability, or environmental impact. Even so, FMCG companies and retailers are going beyond regulatory compliance in their efforts, undertaking ambitious initiatives to overhaul packaging for sustainability.


1

### Alternative Packaging Solutions



In the quest for more sustainable packaging solutions, industry leaders are actively pursuing innovative alternatives to traditional materials. These initiatives represent a directed effort to address one of the most pressing environmental concerns, the proliferation of plastic. By leveraging new materials and designs, companies aim to reduce their ecological footprint while meeting consumer demands for eco-friendly products. These endeavours signify a pivotal shift towards more responsible packaging practices, underscoring a collective commitment to environmental stewardship and resource conservation. One approach gaining traction is down gauging, or "light-weighting," which


reduces costs and carbon footprint while maintaining product quality. This shift reflects a broader commitment to sustainability amidst cost pressures.

	<p><b>Pulpex – Wood Pulp-based Bottles:</b> The partnership between The Kraft Heinz Company and Pulpex underscores a growing momentum towards sustainable packaging solutions. By leveraging wood pulp-based materials, they are not only addressing plastic waste concerns but also embracing renewable resources by making bottles with wood pulp as an alternative to typical plastic bottles. Recently, in March 2024, they produced an idea to create a beverage cap made of fibre that could replace tethered plastic cap systems.</p>
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	<p><b>Canopy - A fiber-based wrap:</b> Collaborating on a sustainable initiative, WestRock and Atlantic Packaging introduced Canopy, a fiber-based wrap designed to substitute plastic shrink films for large packs of food or beverage can typically found in warehouse clubs. According to a WestRock representative, the kraft paper wrap is recyclable in numerous curbside programs.</p>
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<p><b>2 Reusable Packaging Solutions</b></p>	
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In the pursuit of sustainability, the adoption of reusable packaging solutions is emerging as a prominent trend. These initiatives aim to mitigate the environmental impact of single-use packaging by promoting reuse and reducing waste generation. By encouraging consumers to shift away from disposable packaging towards reusable alternatives, these efforts contribute towards a circular economy, where resources are conserved, and waste is minimised through continuous reuse and recycling loops.

	<p><b>Refill-Reuse revolution:</b> A UK-based company, has devised a technology-driven solution. Instead of refilling containers directly, consumers scan the empty bottles at Re's in-store machines and deposit them into a bin for collection, cleaning, and reuse. This innovative method tackles worries regarding cross-contamination from inadequate cleaning and fosters a circular economy. In exchange, customers receive a digital token redeemable towards the purchase of a replacement product.</p>
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**100% rPET' bottles and a new sustainable packaging platform revealed by Coca-Cola Philippines:** Coca-Cola Philippines announces the introduction of bottles crafted from 100% rPET (recycled polyethylene terephthalate) for its Coca-Cola Original and Wilkins Pure brands. These bottles are reusable due to their composition of recycled PET material. Initially, they were focused on 500ml Sprite bottles but from September 2023, Wilkins Pure in 500ml and Coca-Cola Original in 190ml and 390ml now come in 100% rPET packaging by reducing reliance on new plastic production and waste generation.

3

**Reduction in Packaging Waste**



Brands are increasingly committed to reducing packaging waste as a critical step toward sustainability. They focus on minimising single-use plastics and decreasing reliance on virgin plastic by implementing efficient recycling systems and using more recyclable materials. Investments in infrastructure for waste collection, sorting, and recycling underscore their dedication to a waste-free future. By adopting eco-friendly practices and enhancing recycling processes, companies are working to significantly reduce packaging waste, promoting a more sustainable and environmentally responsible industry.



Nestlé has partnered on 220 initiatives, to create efficient programs for collecting, sorting, and recycling waste throughout Europe, Asia, Africa, North America, and Latin America. It announced plans to invest GBP 7 million in a new recycling facility in the UK that processes hard-to-recycle plastics with a capacity of 25,000 tonnes per year. The facility is expected to open for business in the late summer 2024. By the end of 2023, 83.5% of the plastic packaging used by Nestlé worldwide was made recyclable. For instance, it switched to recyclable paper packaging for its Quality Street candies and Smarties in the UK and Ireland.

## Innovations Transforming Sustainable Packaging

The manufacturing process of conventional packaging materials often requires significant resources and can lead to greenhouse gas emissions. In contrast, sustainable packaging aims to minimize waste and support environmental sustainability. The following examples illustrate how innovative approaches contribute to our collective efforts in combating the ecological impact of plastic.

Flexible packaging and similar innovations have been crucial in steering the industry towards more sustainable solutions, rethinking the packaging approach for even conventional products. Cutting-edge technologies and creative approaches are allowing companies to experiment and develop eco-friendly packaging alternatives. By focusing on biodegradable materials, reusable containers, and advanced recycling techniques, the industry is challenging traditional packaging norms. Their agility and innovative mindset enable them to quickly adapt and implement new ideas, significantly contributing to the reduction of environmental impact and setting new standards for sustainable packaging practices.



**World's First Hydrogen-Fueled Glass Spirits Bottle:** Bacardi's adoption of hydrogen energy-powered glass bottle production signals a shift towards sustainability in beverages. Bacardi utilizes hydrogen energy in production to cut emissions and decrease environmental impact. Crafted from sustainable glass, these bottles reflect Bacardi's commitment to eco-consciousness, showcasing dedication to beverage sector sustainability.



**Fully recyclable refill pouch:** In collaboration with Henkel, Mondi has unveiled an innovative reusable packaging concept, marking a significant stride towards sustainability. The product is crafted from a mono-material, eliminating the need for complex sorting processes. These pouches are recyclable without the difficulty of splitting into various materials, contributing to an eco-friendly packaging solution.

## Challenges in Sustainable Packaging

While sustainable packaging is frequently recyclable and biodegradable, it may impact or shorten the product's shelf life. Companies risk financial losses if their packaging fails to protect products during transit effectively. Additionally, packaging is typically a costly endeavour, with any increased expenses often transferred to consumers by organizations. What additional obstacles do brands encounter in realizing their intentions for sustainable packaging?

Sustainable packaging faces challenges like complex supply chains, requiring rigorous sourcing and transparency to prevent greenwashing. Integrating lifecycle analysis and circular economy principles demands careful consideration of material sourcing, production, usage, and end-of-life management. FMCG firms must balance sustainability with durability to maintain consumer trust and product integrity while managing the high costs of sustainable materials without increasing prices. Aligning packaging with consumer expectations, quality standards, and regulations is crucial. Innovation and collaboration across the supply chain can reduce costs, and consumer education on sustainable packaging benefits can enhance acceptance. Exploring biodegradable and edible packaging can reduce waste, creating a closed-loop system. Additionally, broader issues like energy consumption, waste management, and social impacts interconnect, affecting overall sustainability efforts and requiring a holistic approach to address these complexities.

Companies are already in collaborations and partnerships with suppliers, manufacturers and other stakeholders for improvement in the accessibility of sustainable packaging materials with the latest technological trends. The latest emerging trends are rushing to keep pace with these challenges, evolving as often as possible.

## Conclusion

In the fast-moving consumer goods (FMCG) sector, the evolution towards sustainable packaging represents a critical stride in environmental stewardship. Collaborative efforts between industry leaders and startups drive innovation, ushering in a new era of eco-conscious practices. From plant-based plastics to reusable packaging solutions, the landscape is witnessing a profound shift towards sustainability. Despite challenges such as cost and durability, the growing demand for greener alternatives underscores a collective commitment to mitigating environmental impact.

As the FMCG sector navigates these complexities, it becomes increasingly clear that every packaging choice today shapes tomorrow's sustainability landscape. By embracing innovation and collaboration, companies can position themselves as leaders in environmental responsibility while meeting consumer expectations for eco-friendly products.

In this journey towards sustainability, it is crucial to acknowledge the interconnectedness of our actions and their lasting impact on the planet. Together, we can create a world where sustainability is not just a goal, but a guiding principle embedded in every aspect of our manufacturing and consumption choices.

## About Benori

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