2016 E-Commerce Packaging Preferences Survey

# **shorr** | packaging corp.





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#### Introduction

E-commerce retailers have a myriad of places they could invest their money—advertising, adding staff, product development. But what about an investment in custom packaging? Is it worthwhile, and if so, what do customers actually want from their e-commerce packaging?

Shorr Packaging's *E-Commerce Packaging Preferences Survey* shows that Premium Shoppers\* place a value on custom packaging of their products. They spend more and they notice various custom packaging items, leading them to expect even more.

#### Premium Shoppers are more likely to:

- Notice custom designed packaging
- Make a repeat purchase because of custom packaging design
- Share a purchase with family, friends or coworkers
- Post their purchase on social media
- Feel that customized packaging reflects the value of the product inside
- Return an online purchase







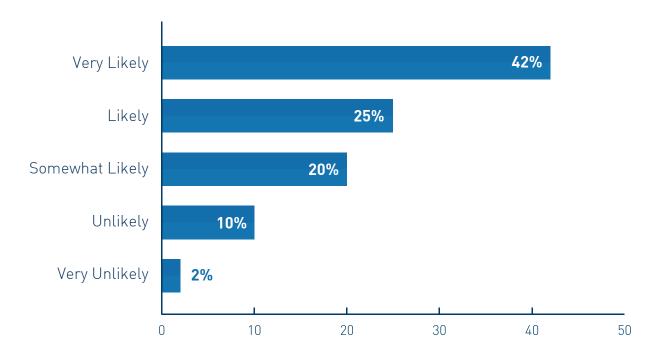
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### **What Customers Expect In Custom Packaging**

To most retailers, custom packaging means some sort of branded packaging design. However, custom packaging means far more—it means custom sizing and packing too. It leads to improved brand recognition, reduced shipping cost due to dimensional weight pricing, and fewer worries about something being damaged in transit.

For your customer, custom packaging is their first tactile experience with your brand, and first impressions form within 100 milliseconds—they often remain intact even when contradicted by factual information. In fact, when asked how likely they were to notice custom designed packaging when they first receive an item, 42 percent of survey respondents said they were "very likely" to notice. This was followed by 25 percent stating "likely," and 20 percent responding with "somewhat likely."

## When you receive an item, how likely are you to notice custom designed packaging?





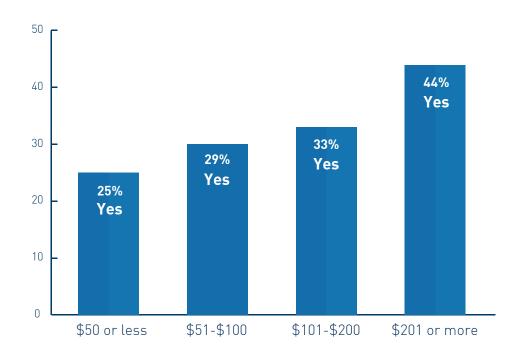




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In our survey, 30 percent of all respondents said they are more likely to make a repeat purchase because of custom packaging design. Premium Shoppers are even more likely to repeat a purchase. People who spend more than \$200 a month are 15 percent more likely to make a repeat purchase based on custom packaging when compared to people who spend \$100 or less.

## % of people that would purchase again based on customized packaging accoording to their monthly spend







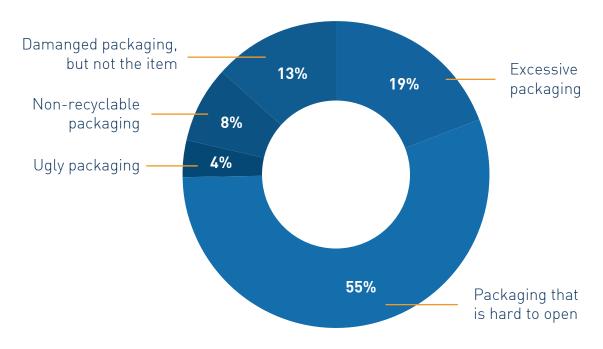


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The trend of "unboxing" videos, a genre of online video wherein users record themselves "unboxing" an item they have purchased or received, has exposed packaging to new audiences through social media. Since 2010, the number of YouTube videos with "unboxing" in their title has grown by an astounding 871 percent. In 2013 alone, 6.5 years' worth of unboxing footage was uploaded to YouTube, placing a huge importance on how easy (or difficult) it may be to open a package.

We asked our survey respondents to weigh irritating or annoying factors when it comes to packaging. More than half (55 percent) said that the most irritating factor about packaging was when it is hard to open. Excessive packaging came in second at 19 percent, and damaged packaging (not the item) came in at 13 percent.

### When it comes to packaging, what do you find the MOST irritating or annoying?





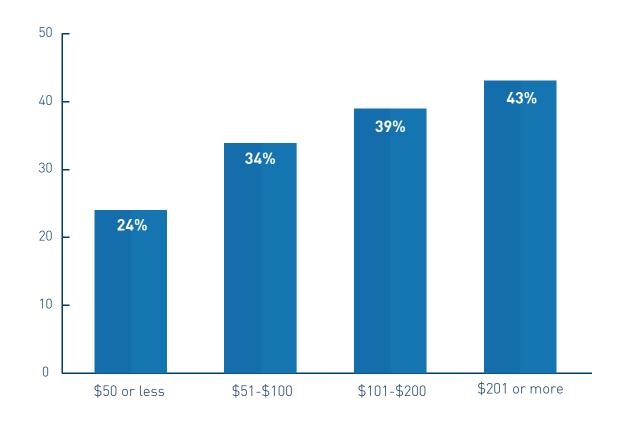




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Happy customers are more likely to recommend your brand by word of mouth. Our survey showed that Premium Shoppers were more likely to show off their customized packaging to friends, family or coworkers. Those who spent over \$200 were the most likely to show off custom packaging to friends, family and coworkers, with 43 percent saying they do so. Thirty-nine percent of customers spending \$101 to \$200 had shown off custom packaging before, compared to 34 percent who spent \$51 to \$100, and 24 percent of those who spent \$50 or less.

### I have showed custom packaging to friends, family or colleagues









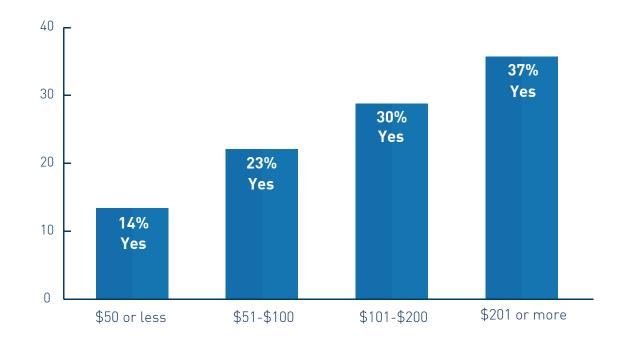
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The trend continued with social media. When asked if they ever shared a product image on social media because of its packaging, 37 percent of those who spent over \$200 said they had done so.

## I have shared an image on social media because of an item's packaging







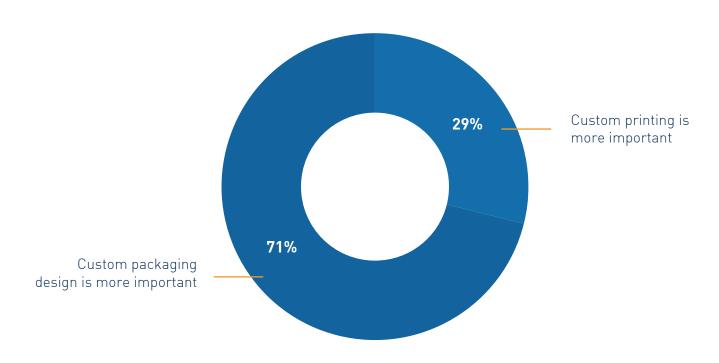


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### **Premium Shopper Preferences**

We asked: Which do you prefer, custom printed packaging or custom packaging design (where the shape of the box and its protective material are designed around the product)? Seventy-one percent of respondents said that custom packaging design is more important, while 29 percent preferred custom printing.

Which do you prefer, custom printed packaging or custom packaging design?





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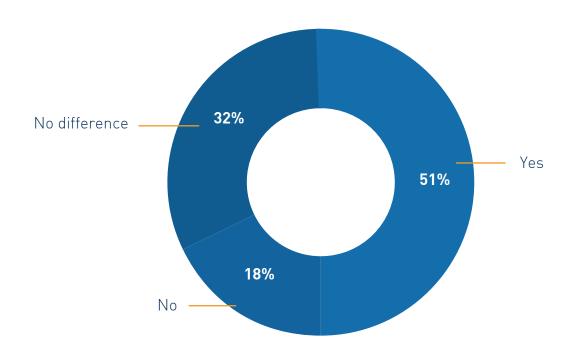


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### The Value of Custom Packaging for E-Commerce

When asked if specially printed or customized packaging made them feel like the product inside was more valuable, 51 percent said yes.

Does specially printed or customized packaging make me feel like the product is more valuable?



Premium Shoppers were even more likely to answer yes. In fact, 61 percent of Premium Shoppers answered the same way.





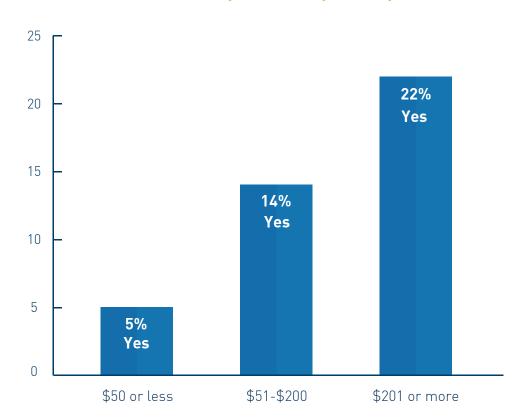


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### The Importance of Return-Ready Packaging

Those who spend more also are more likely to return more, which places an importance on return-ready packaging. Premium Shoppers were 13 percent more likely to return an online purchase when compared to those spending \$200 or less.

#### I return at least one quarter of my online purchases





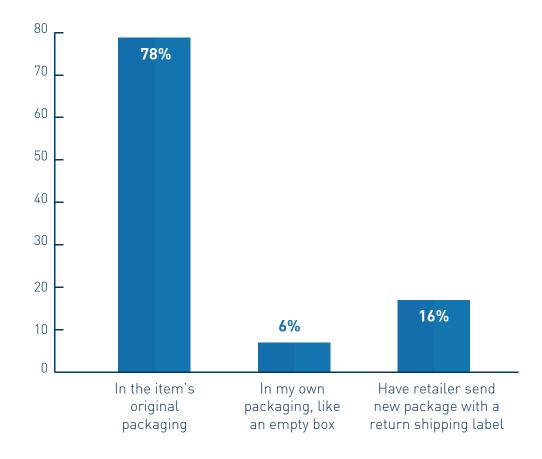




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The majority of survey respondents (78 percent) preferred to return the item in its original packaging.

# How do you prefer to package an item you're returning?





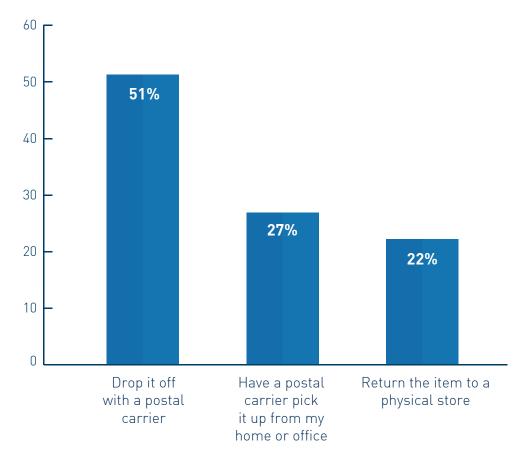




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Ease of return was also a factor, 51 percent stated they would like to drop their returns off with a postal carrier. Meanwhile, 27 percent would prefer to have a postal carrier pick up the package from a home or office. Only 22 percent wanted to return the item to a physical store.

### Where do you prefer to return items?



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#### Conclusion

Only <u>11 percent</u> percent of online customers are completely satisfied with the packaging they receive—custom packaging offers retailers a significant opportunity to gain customer satisfaction.

Premium Shoppers feel their purchases are more valuable and will buy more frequently when they receive custom packaging. Also, they are more likely to influence others by sharing their purchases and custom packaging experiences.

Satisfying Premium Shoppers extends the reach of your brand to new customers while still satisfying your current customers.

Custom packaging should be an integral part of your sales and marketing strategy. Contact Shorr Packaging for more information on how to make your packaging work for you.

**Get in Touch** 





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Shorr Packaging's *E-Commerce Packaging Preferences Survey* was conducted online in January 2016. The survey was conducted among 422 adult e-commerce shoppers representing a cross-section of American shoppers. Our aim was to understand consumer preferences around custom packaging design, and how shopping frequency and spending impacts these preferences.