

A man in a dark suit and a bicycle helmet is riding a bicycle on a city street. In the background, other cyclists, a white car, and a bus are visible. The scene is set at an intersection with traffic lights. The overall color palette is a warm, monochromatic orange-brown.

*microcities
& the
future
of packaging*

businesscase


<https://vimeo.com/295149111>

Over the last year we...

- Discovered business growth opportunities for The **Kellogg's** Company in emerging markets.
- Developed the futures framework for The **Coca-Cola** Company Global and BU's operations.
- Aligned how **Master Card** migrates their strategy from a banking to a technology company.
- Understand empty spaces to improve the **Colgate-Palmolive** oral care global business.



***Cities
&
Consumption,
(in three chapters)***



(in 1940)
London was the most
populated city globally with
7.700.000 inhabitants
(urban city global average: 1.100.000)



Consumption was simple...


One kind of milk.

Meat wrapped in paper.

No credit cards.

No hypermarket.

(just a beautiful vintage CokeAd)



(in 1980)
**New York was the most
populated city globally with
12.000.000 inhabitants
(urban city global average: 1.500.000)**



And consumption was transformed under a new imaginary, where family happiness it's surrounded by products.





**More Choices
Less Simplicity**

=

Exponential Waste

The United States Case

	1940	1980	Growth
Population (millions)	150	226	150%
Annual Waste (thousands of tons)	50	150	300%

Sources: USA Census Bureau / USA Environmental Protection Agency

(by 2020)
**Shanghai will be the most
populated city globally with
26.000.000 inhabitants
(urban city global average: 2.700.000)**



Healthy groceries (\$100) "too expensive"

Dinner date (\$100) "reasonable"

Therapist (\$130) "absurd"

Trip to Target (\$130) "great deals!"

Average college class (\$1000) "expensive"

iPhone (\$1000) "a necessity"

Kid's summer camp (\$180) "too much"

New pair of shoes (\$180) "they were on sale!"

60 minutes of exercise "I wish I had time!"

60 minutes on Instagram "OMG time flies!"

1 hour on the phone with parents "eternity"

1 hour watching Netflix "let's watch another one"

and mass consumption is called into question...

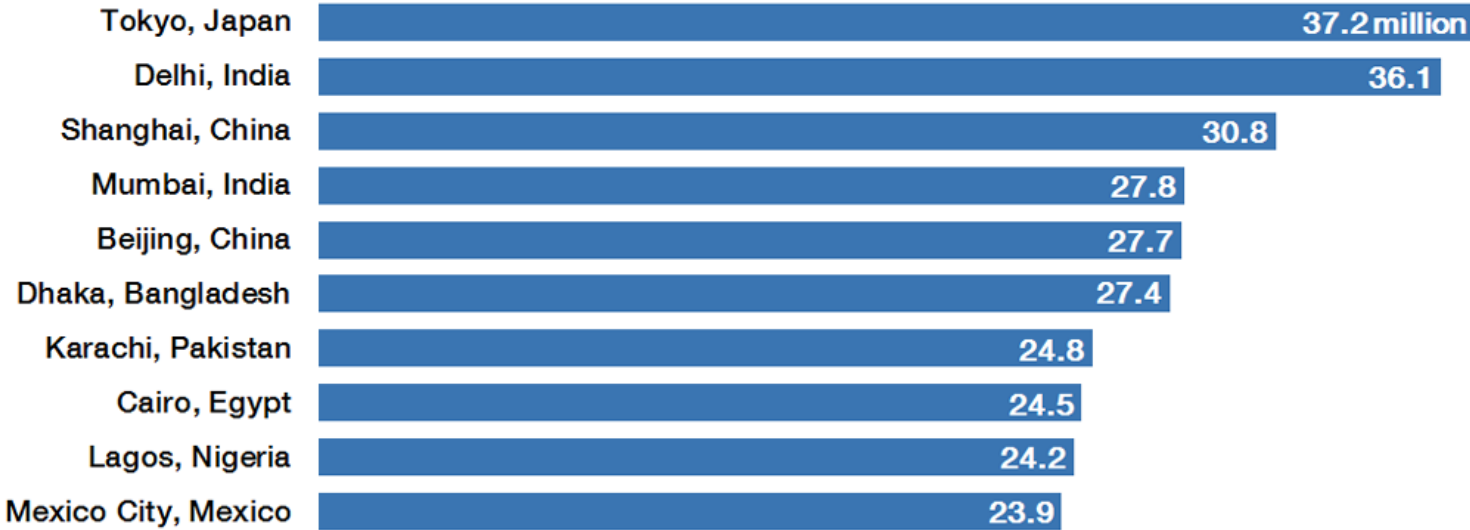




**Because
Overpopulation.**

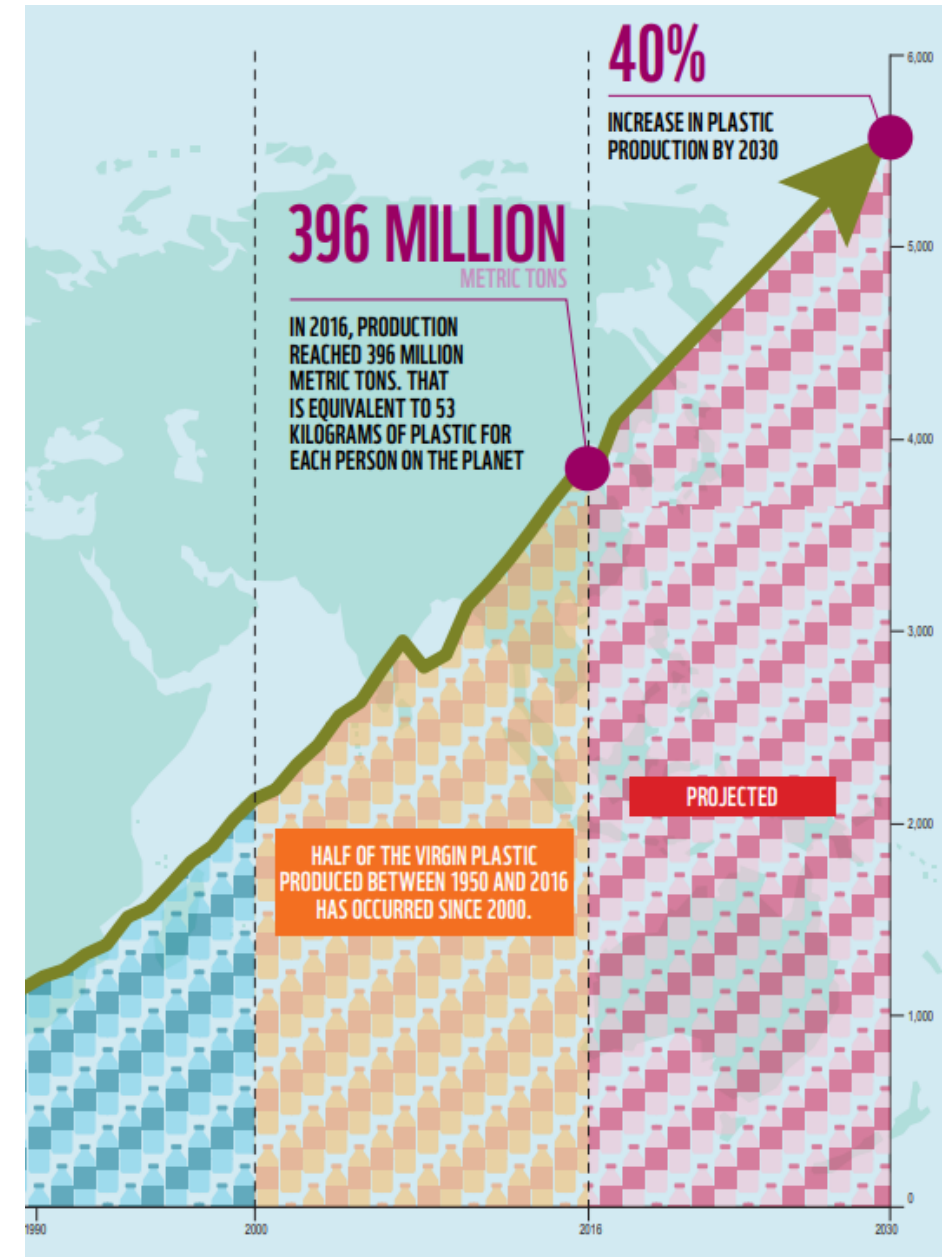
These will be the world's biggest cities in 2030

Forecast population, in millions, according to the UN World Urbanization Prospects, 2014 revision



Source: UN World Urbanization Prospects, 2014 revision

Welcome to PlasticCity























“The production of plastics increased by more than twenty-fold between 1964 and 2015, with an annual output of 322 million metric tonnes (Mt), and is expected to double by 2035, and almost quadruple by 2050. Plastics contribute to economic growth, but their current production and use pattern, on a linear model of ‘take, make, use, and dispose’, is a primary driver of natural resource depletion, waste, environmental degradation, climate change, and has adverse human health effects”.

(United Nations)

How to live in a future where the 50% will be concentrated in 9 million+ cities?

(if today can be quite tuff!)

RANK BY FILTER	WORLD RANK	CITY	COUNTRY	CONGESTION LEVEL
1	1	Mumbai	 India	65%  1%
2	2	Bogota	 Colombia	63%  1%
3	3	Lima	 Peru	58%  8%
4	4	New Delhi	 India	58%  4%
5	5	Moscow region (oblast)	 Russia	56%  1%
6	6	Istanbul	 Turkey	53%  6%
7	7	Jakarta	 Indonesia	53%  8%
8	8	Bangkok	 Thailand	53%  2%
9	9	Mexico City	 Mexico	52%  0%
10	10	Recife	 Brazil	49%  2%

Microcities



Condesa, Mexico City

Population: 20.000 (inhabitants + workers)

“Spaces inside great urban areas that agglutinates main human activities -work, business, commerce, housing- in a radius that invites to reduce of the use of fossil fuels, plastics, and other elements that contribute to the global environmental damage, while inviting the a new use of time in a controlled environment, gradually reducing the relative need to leave it.

Center for Architecture, Urbanism, Infrastructure (Princeton University)



3

types of microcities, from the relationship between:

Population Density
and
Purchase Power

Low
Pop. Density + **High**
Purchase Power *‘QualiCity’*

Medium
Pop. Density + **Medium**
Purchase Power *‘NeighborTown’*

High
Pop. Density + **Low**
Purchase Power *‘CondoAll’*

QualiCity

Milan city hall has teamed up with Italy's environmental league [Legambiente](#) and shopkeepers' confederation Confcommercio to start preparing a plastic-free Milan.

The aim is to eliminate non-biodegradable plastics before the EU directive banning them comes into effect in 2021.

In the experimental phase, bars, cafés and restaurants in the city boroughs of Isola and Niguarda – along with their customers – are being encouraged to manage without disposable plastic cups, glasses, plates and cutlery, bags and other containers.

Population: 1.300.000

Per Capita Income: US\$69,130

Density: 2,783 inhabitants per square kilometer



NeighborTown



Population: 833.779

85% earns between USD \$10-40 per day.

Density: 5,563 inhabitants per square kilometer

CondoAll

FIGURE 4 Chongqing's Urban Forms

A. Walkable commercial mix in Yuzhong district



B. Walkable residential mix in Yubei district



C. Walkable medium-density mix in Yuzong district



D. Superblock commercial mix in Jiulongpo district



E. Superblock residential mix in Jiulongpo district



How this urban evolution will change packaging as we know it?





Consumption patterns
in Microcities

*Defragmented Mobility.
Delivery Behavior.
Small Business Rebirth.
Naturally Local.
Refill/Reuse.
Smaller Convenient.*

Defragmented Mobility

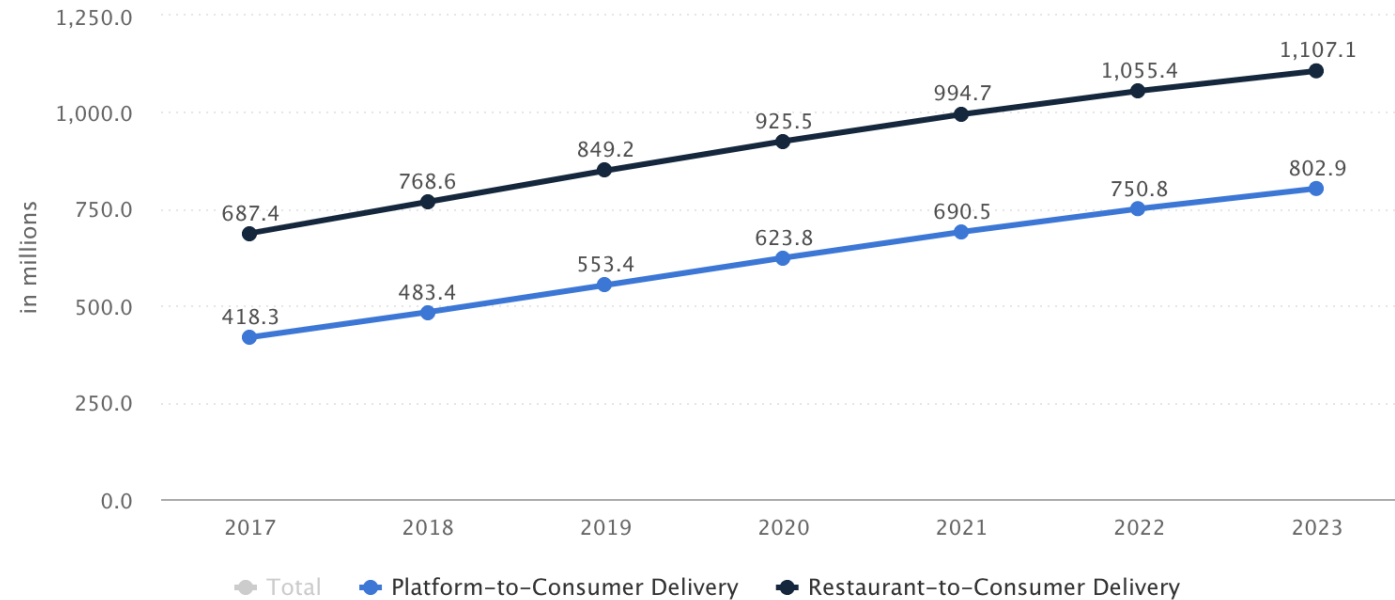


In a Megacity where the best choice to be happy is avoiding traffic, inhabitants in Microcities choose to combine cars, integrative transportation facilities, and new methods of ride-sharing, in order to contribute to a real time solution, through multiple choices.

Packaging with size and portability that does not require car transportation.

Delivery Behavior

In a world where tech devices can help everyone to connect, date, advice, shop, earn, love... and much more, in Microcities home delivery will be the easiest way to avoid extreme weather, traffic; changing daily routines, in order to increase quality time and avoid overstress.



Packaging with resistant / affordable materials, which can be easily recycled.

- Revenue in the Online Food Delivery is expected to show an annual growth rate (CAGR 2019-2023) of 9.3%, resulting in a market volume of US\$134,490m by 2023.
- The market's largest segment is Restaurant-to-Consumer Delivery with a market volume of US\$58,008m in 2019.

Small Business Rebirth



The core of microcities will be in short distances, that will pass on foot (or Lime). With more people wandering (instead of driving), small businesses will going to have the opportunity to show a new face, where values related to origin, producers and environmental impact of their products, as part of their value offer.

The USA Case (again)

- 2.5 times more likely to prefer shopping at independent and specialty stores over traditional grocery chains
- 3.7 times more likely to try to avoid buying products from “the big food companies.”

Gallup Poll, May, 2019.

**Adaptation and development
of packaging related small
retailer’s innovation.**

Naturally Local

Is here.

It's part of every FMCG business strategy.

Globally.

Almost mandatory.

Without forget that countries needs imports-exports.

And fair conditions for local workers.

Done...



Usage and exploration of natural materials likely to be used as packaging.

Refill/Reuse



With more millennials seeking to locate themselves in microcities, their environmental awareness will become more widespread, making the movement - which today begins- around packaging reuse, part of every day FMCG's consumption. The Industry reinvention continues...

Consumers and producers education to massify packaging reuse habits on a daily basis.

Smaller Convenient

With less available space in the houses, the following generations will learn to adapt their lifestyle, where all consumptions lifecycle (shop – store – use – dispose) will happen in a more efficient way, looking to avoid wasting materials, time and space.

Packaging that can occupy less space in point of sale and pantry, with greater maneuverability.



Microcities Consumption Habits
+
Sustainable Packaging Strategy
=
Future Market Continuity



Future Urbanism

It's

Here

**(it's time to adapt your
packaging to the trend)**



Hint (one)
Governments are already
creating a new strategic
roadmap with FMCG's.



Hint (two)
Sustainability can be very cool also...



Thank You for your time!
And please... enjoy this fantastic summer!
hello@luisarloschacon.com
www.case.business