

Tetra Pak Index 2018

ONLINE GROCERY

Alexandre de Souza Carvalho, Global Director Marketing Services, Tetra Pak

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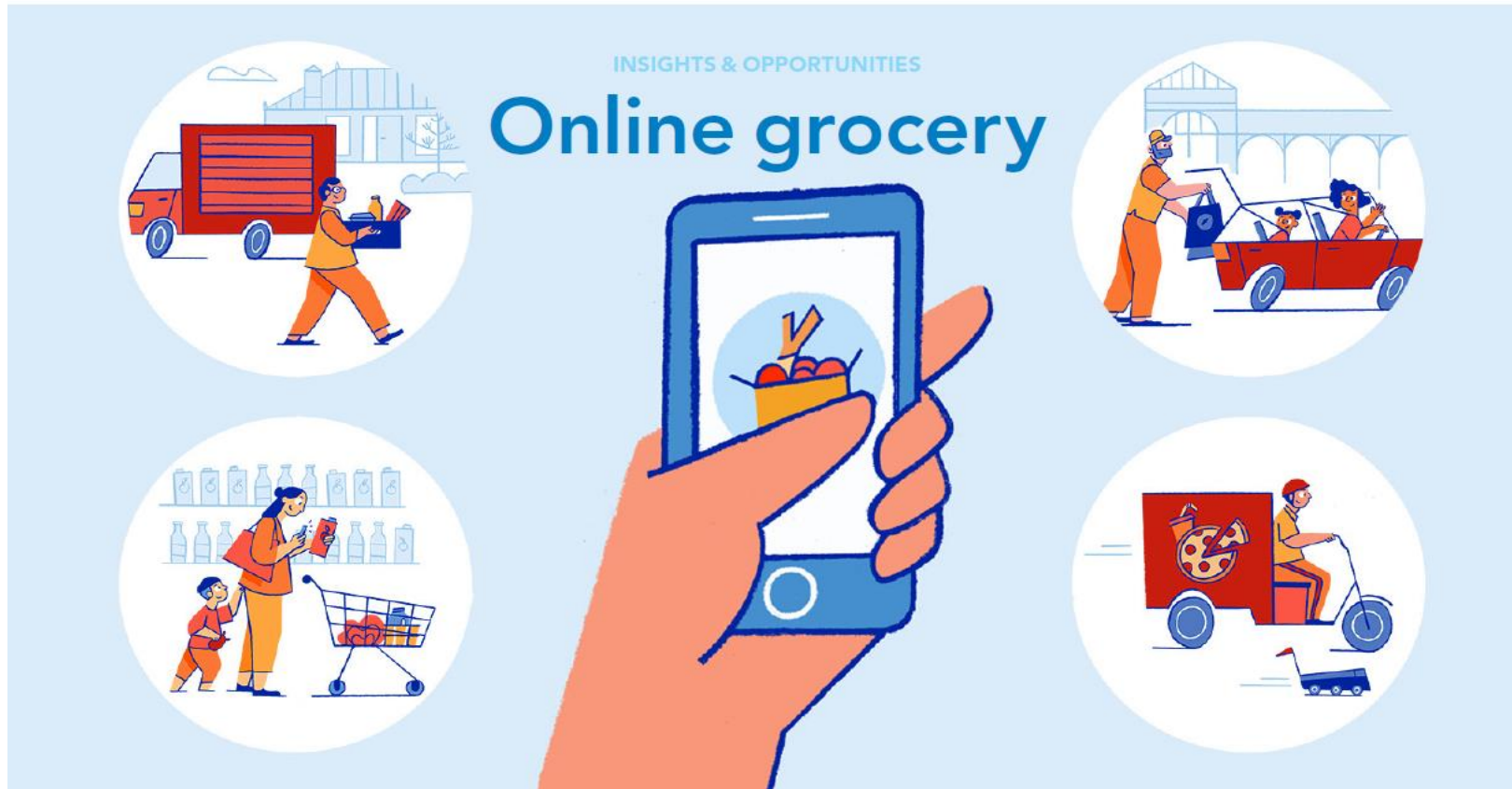




Introduction

The 11th annual Tetra Pak Index

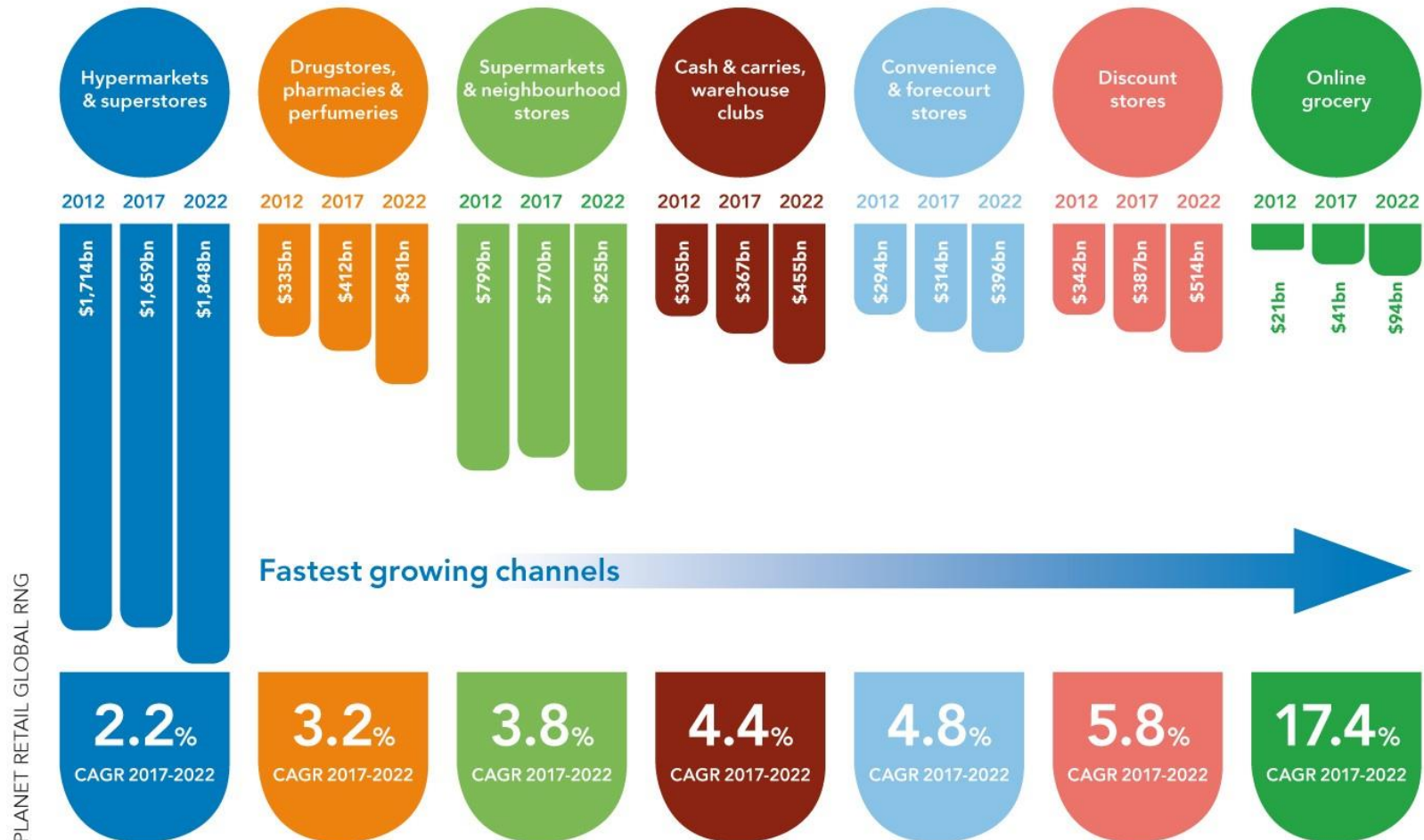
THE TETRA PAK INDEX
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The rise in online grocery

A catalyst for wider industry transformation





A Changing Landscape





What is driving this growth?

Consumers are looking for a fast and easy shopping experience

SHIFTING ECONOMIC POWER

Changing purchasing power globally.



POPULATION CHANGE

Rural vs. urban shopping to see greater differences



TECHNOLOGY

Completely re-shaping how we shop



ENVIRONMENTAL SHIFTS AND PRESSURES

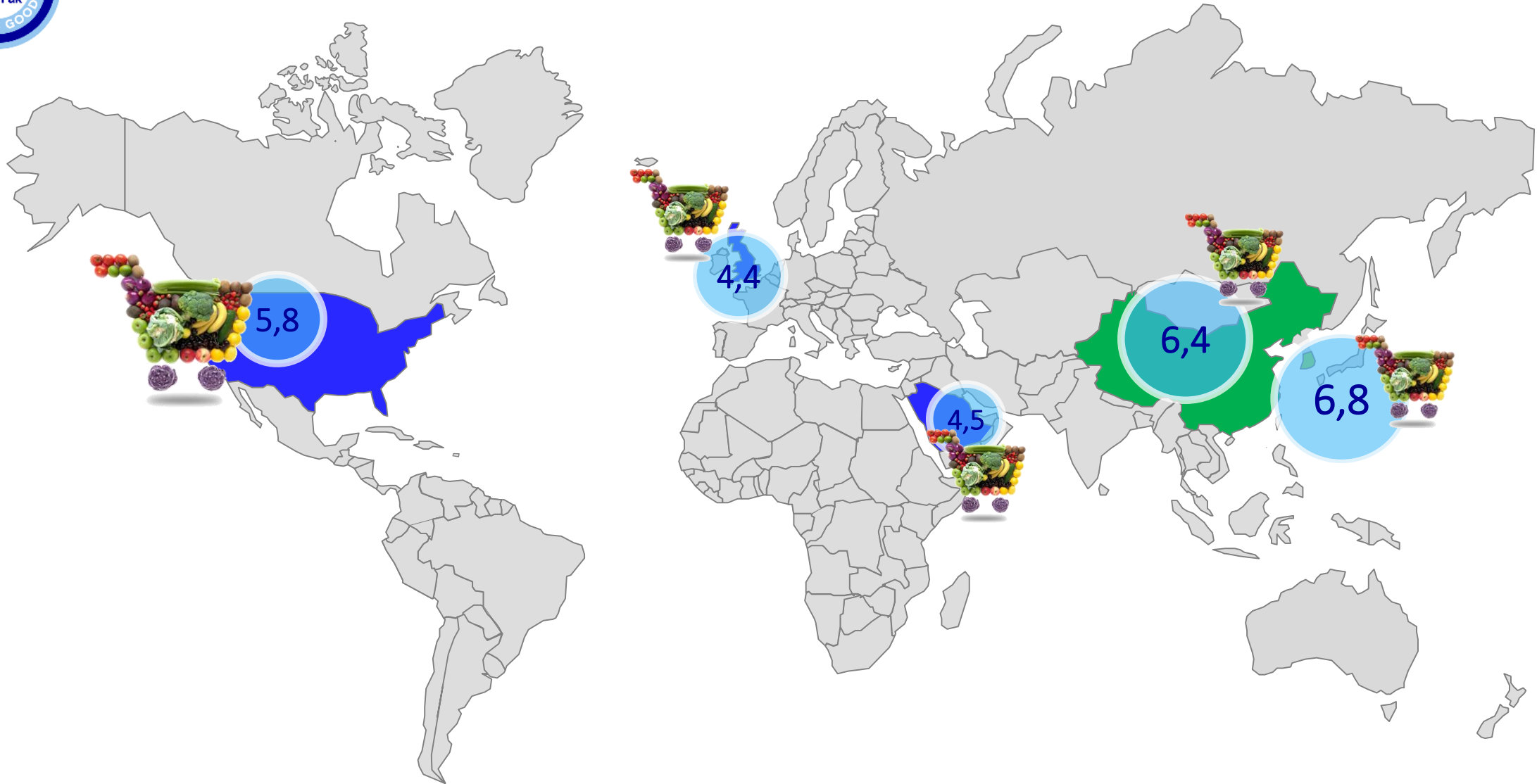
Impacts on decision making and purchase





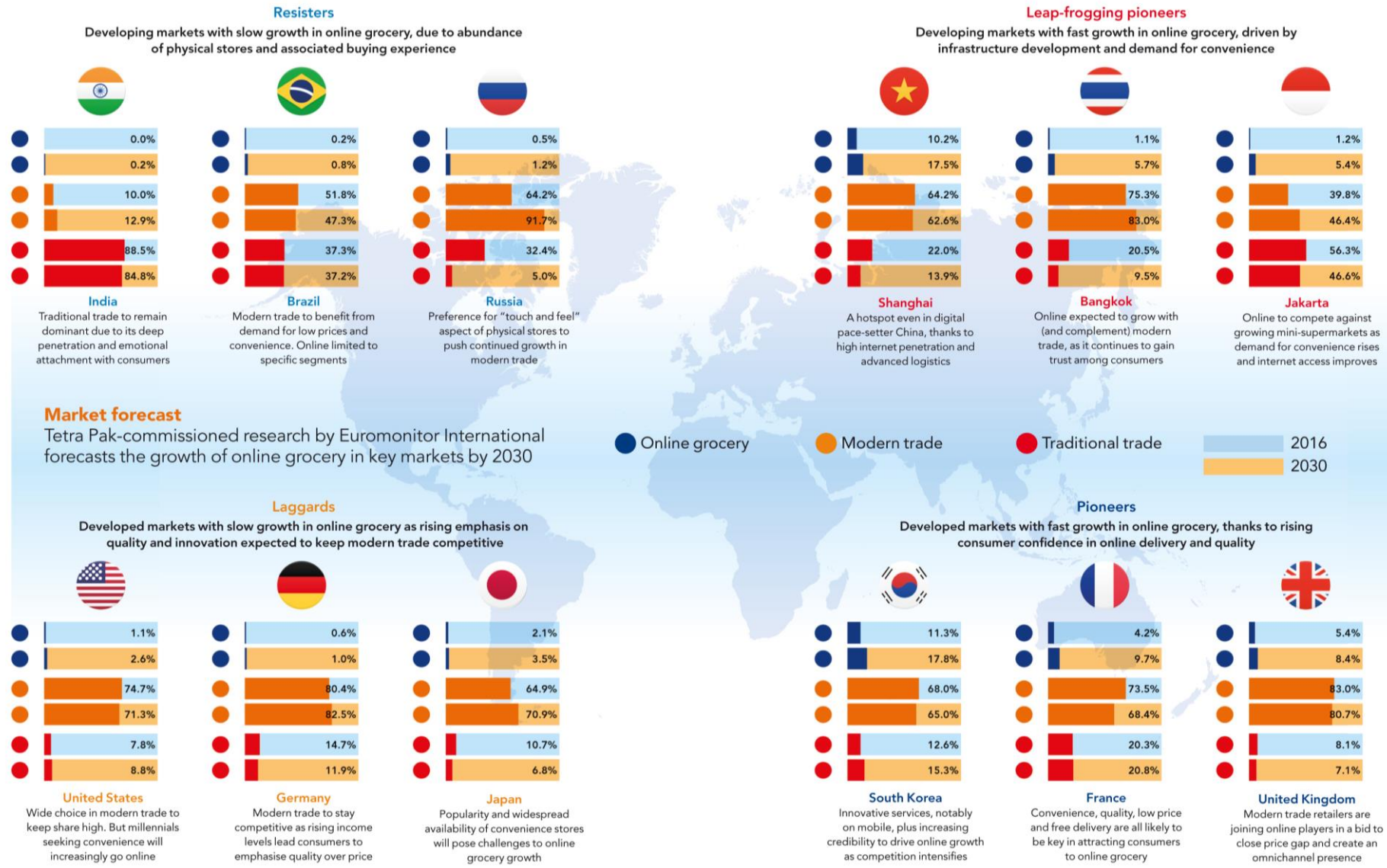
Online shopping Frequency in 2018

Monthly average





While online is growing faster than other channels, the picture varies market by market





Four key trends

... are shaping the online grocery marketplace

1

Convenience



2

Technology



3

Sustainability



4

Personalisation







Convenience

#1 driver of online grocery in all markets

Consumers want a friction free shopping experience. The most successful brands provide assistance in moments that matter: **discovery, planning & shopping**

Convenience is driving online grocery shopping



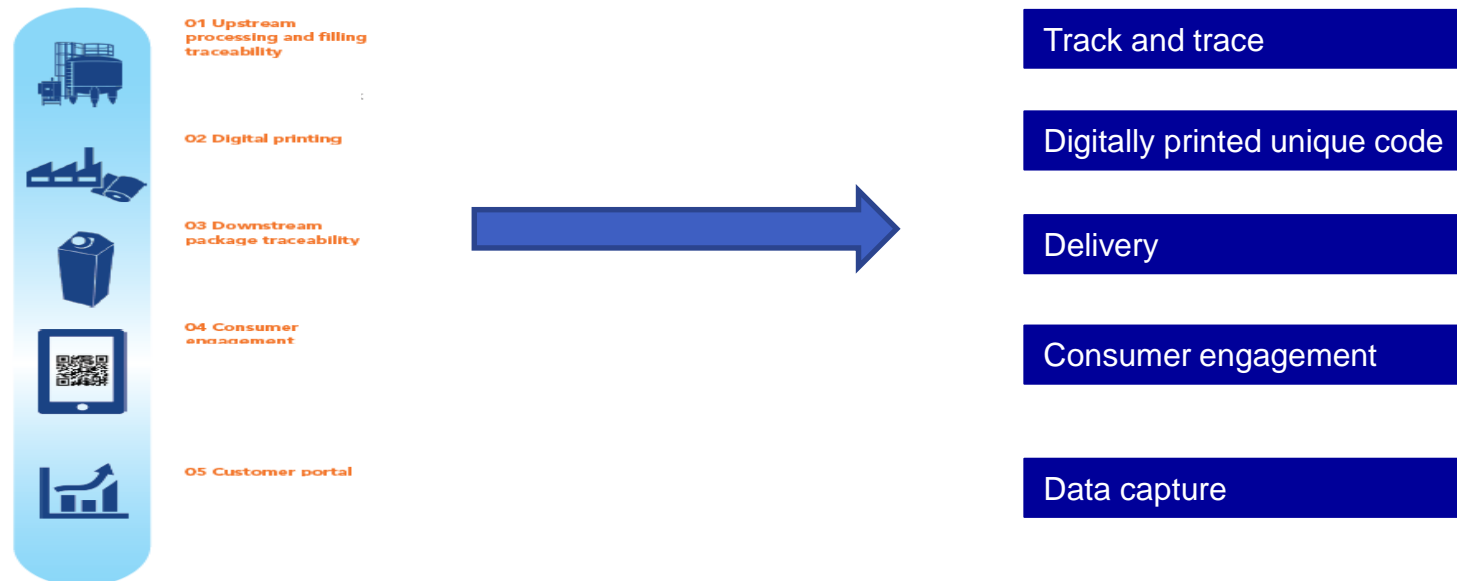
-  Easy Replenishment
-  Super fast delivery
-  Bulk buying
-  Convenient Packaging



Technology

Transforming supply chains & consumer relationships

Smart packaging can help brands tap into the double-digit growth in online grocery, positively impacting the **digital supply chain** and **consumer** experience





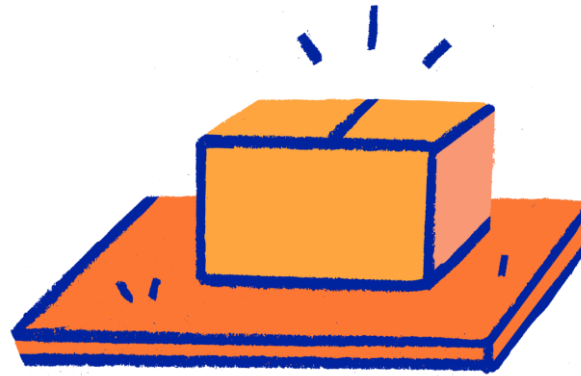
Sustainability

Increasingly important for consumers & companies

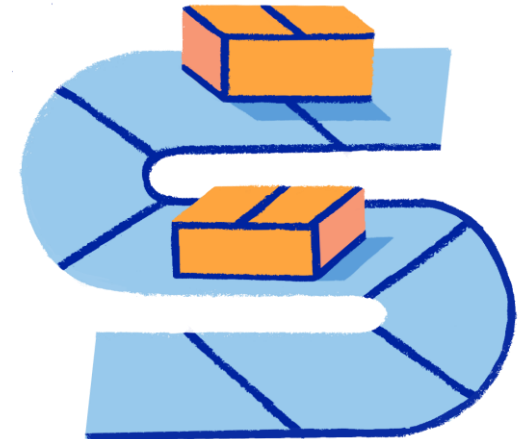
Space efficient packaging



Reduced Secondary packaging



Recycling





Personalisation

Is key to communication & customising the shopping experience

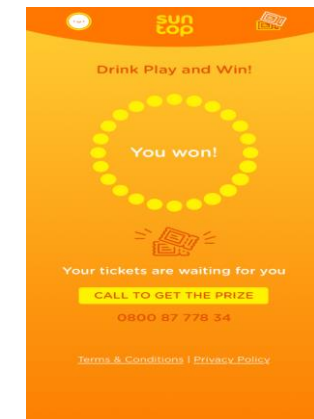
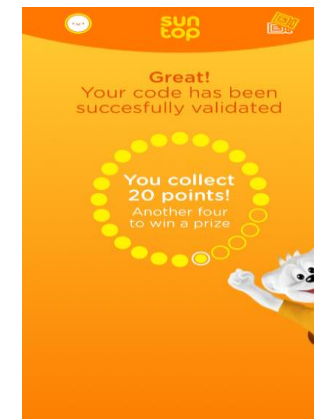
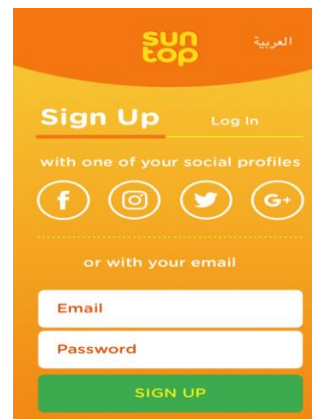




The key to technology is digital printing

Unique code-based consumer engagement solutions

- ▶ Now smart packaging allows each carton to be tracked, monitored and interacted with throughout the supply chain, creating new opportunities for efficient stock management, distribution and automation. It creates new opportunities for consumer interaction too
- ▶ We are re-inventing the package by adding a layer of digital experiences for the consumer, for example first piloted unique code-based customer engagement solution with Binzagr CoRo's SunTop orange juice in Saudi Arabia in January 2017 and is now being used by Puleva, in Spain, for a promotion for its flavoured milk drinks.





Conclusion





Summary

Fast-growing online grocery is a major disrupter of the entire industry

1. Offline and online are merging to create a better consumer experience and efficiencies in the supply chain
2. Convenience is the main driver as consumers expect a fast, easy and seamless shopping experience
3. Mobile is the device of choice, consumers use it as their compass – and so brands need to ensure it's central to their offering
4. As delivery gets faster, the shift from bulk buying to convenience shopping will almost certainly happen
5. Personalisation will be crucial when communicating with consumers and enhancing their brand experience
6. 80% of consumer product groups are expected to migrate to direct-to-consumer models by 2025 - personalisation and packaging will be key differentiators
7. Packaging specifically designed to survive in eCommerce is vital – it is the make or break of the unpacking experience
8. Smart packaging can unlock both a digital supply chain and an interactive one to one consumer experience



Questions?





"The rise of online grocery should be seen as an opportunity for food and beverage brands, and packaging can play a key role in realising this. In particular, smart packaging helps drive greater transparency and efficiency in the supply chain, up and down stream, while also enabling a direct, interactive relationship with the consumer via the product itself. We believe this now tried and tested technology can help our customers explore new avenues, driving growth in the years ahead."

Alexandre Carvalho,
Global Marketing Services Director, Tetra Pak



The Tetra Pak report can be downloaded here:
<http://www.tetrapak.com/tetra-pak-index>