

IS YOUR PACKAGING STRATEGY **ALL WRAPPED UP?**

Packaging is big business. The size of the market is US\$1.1 trillion and is projected to grow to US\$1.33 trillion by 20281

It has become a complex business too.

- Rising cost of labor and raw materials impacting the viability of suppliers
- Lack of visibility into Tier 2 and Tier 3 suppliers
- Demand planning pressures
 - Retailers are demanding differentiated products to stand out from competition • E-commerce is increasing demand for specialized packaging, for example gift boxes
 - Consumers want small, convenient, easy to open packages using sustainable material
 - Packaging is integral to the supply chain process,

'bolt-on' service, instead of being fully integrated. This makes it harder to digitalize, creates higher costs, increases waste and reduces the ability to react fast to customer and market demands. The growing trend towards sustainable packaging is more than just a

yet it is often managed in silos and treated as a



feel-good story— it's how Consumer Packaged Goods companies can realize **future profitability** – Roland Berger² McKinsey³ has identified three eras that have been characterized by major changes in

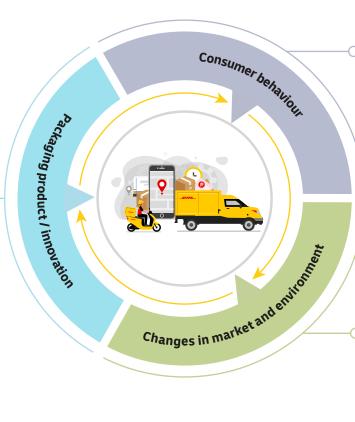
consumer behavior (factor 1), which promoted innovation and the development of new packaging products (factor 2). Changes in the market and global environment ultimately led to renewed corporate and value-chain structures as well (factor 3). The current era of sustainability and digital transformation looks like this:

commercializing sustainable packaging Packaging adapted to e-commerce

Scaling of new

Strong focus on

- models and technologies Adoption of new materials as cost
- curves fall



market; a push for sustainability targets and real actions E-commerce shopping persists globally and

accelerates in

groceries

Consumers truly

shape how brand

owners approach

- Focus on growth drivers (eg, divesting or spinning off non-core businesses) Digital acceleration
- The revolution sparked by two megatrends—sustainability and digital—is

and value chain disintermediation

DHL Supply Chain can help you meet your packaging challenges by orchestrating how

unprecedented in the packaging industry – McKinsey

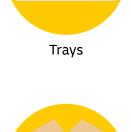
environmental and social footprint. The visibility we generate enables schedules to be adapted as customer needs change. We take care of

materials are sourced, procured and ultimately transformed at the right time, price,

Rationalization and inventory Management. We source materials through a preferred Supplier Network and take care of Supplier Relationship Management, aggregating spend. **EXAMPLES OF OUR WORK INCLUDE**

your Materials Demand Planning; BOM/Part





Cartoning



Strapping



Bonus packs



Quarter Pallets



Kitting and

...AND VARIOUS E-COMMERCE FORMATS & OTHER VALUE-ADDED SERVICES

savings opportunities.

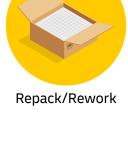
Strategic sourcing

Blister packs/

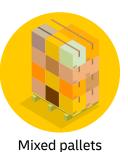
Clamshells



Displays



Applying our supply chain expertise along with our procurement scale and agility is



Sustainability

environment-

friendly solutions



Late-stage

customization and postponement

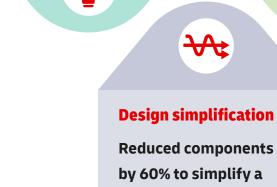
creating big benefits for our customers. Fully integrating packaging and supply chain processes, and using the global leverage of our central procurement services, offers real

Identified commonalities Competitive bidding A portfolio deep-dive and strategic buying and leverage of across SKU and then supplier relationships resourced materials saved EUR 1.2mn (17%) for a leading reduced costs by 30% focusing on **volume** whilst implementing aggregation and CPG with only 1%

material obsolescence

Redesign & Repricing

supplier location



over next 12 months

Demand alignment

obsolescence levels in

new on hand inventory

Identified 63%



An integrated approach to simplify,

In summary, our holistic solution offers:

display which then

drove a six-figure

savings/year



Sustainable solutions to deliver against your ESG goals. Our optimized, sustainable packaging solutions reduce your environmental footprint with a holistic approach that addresses materials, equipment and processes, reducing waste, energy consumption and

Inventory Management designed to deal with complex finished goods versioning

Contact us now to transform your Packaging operations

carbon emissions

FOR FURTHER INFORMATION Contact our supply chain experts here >

or visit our website >







