

Millennials reshape the market for packaging

A new Viewpoint report from Stora Enso shows that retailers and brand owners who fully embrace the opportunities presented by sustainable packaging can achieve an increase in net sales of 2-4 % and an improvement in their EBIT-margin of 1.0-2.5 % (p.p.). The importance of sustainability in the retail sector will increase as Millennials become a more dominant group of consumers.

59% of Millennials, the generation born between 1980 and 2000, consider packaging sustainability to be important throughout the entire value chain. Stora Enso, a global leader in the packaging industry, today published a Viewpoint report “*Future of packaging for the Millennials*” highlighting trends for consumer expectations on packaging and the linked opportunity for retailers and brand owners to increase profitability.

“Millennials are in many ways more demanding than previous generations of consumers and they expect products to be sustainable throughout the full value chain. This is a strong message to use sustainable packaging from renewable sources such as wood fibers. These expectations present new and exciting opportunities for retailers and brand owners to increase sales and margins.” said Hannu Alalauri, Senior Vice President at Stora Enso Packaging Solutions.

Expect retailers and brand owners to help Millennials consume smarter

The report shows that Millennials are more likely to purchase eco-friendly products than older generations. 4 out of 5 Millennials consider packaging as important when making purchasing decisions and 85 % of Millennials consider packaging material part of the brand experience, compared to 71 % among non-Millennials.

Stora Enso’s new report shows that 44 % of Millennials also are willing to pay a premium for products with sustainable packaging and they consider fiber-based packaging materials to be by far the most sustainable packaging material choice.

Unexpected opportunities for retailers and brand owners

Stora Enso’s report shows that sustainable packaging can offer unexpected opportunities to improve both sales and margins for retailers and brand owners if used to its full potential. A 2-4% net sales increase and 1.0–2.5% (p.p.) EBIT-margin improvements for areas addressed should encourage management in this sector to seriously consider the potential of fiber-based packaging.

For more information, please contact

Björn Thunström, Vice President Marketing & Customer Loyalty at Stora Enso Packaging Solutions
Email: bjorn.thunstrom@storaenso.com; Tel: +46709555660

“Future of Packaging for the Millennials” is the fourth edition in Stora Enso Packaging Solutions in-depth Viewpoint report series. It has been developed building on industry expertise, interviews, reports and an international survey, in partnership with A.T. Kearney. Consumer data has been derived from 347 survey respondents across 28 countries. Financial data analysis has been modelled by A.T. Kearney based on identified packaging levers to address along the value chain.

To download the full Viewpoint report, please visit www.storaensopack.com/press-media



Stora Enso is the global rethinker of the biomaterials, packaging, paper and wood products industry. We always rethink the old and expand to the new to offer our customers innovative solutions based on renewable materials. Stora Enso employs some 28,000 people worldwide, and our sales in 2013 amounted to EUR 10.5 billion. www.storaenso.com

Division **Packaging Solutions** works with leading converters, brand owners and retailer customers. It develops innovative fibre-based packaging solutions to build brand value for customers, support their sales, and optimise their performance to reduce total cost. Packaging Solutions operates in the value chain from collection of paper for recycling, production of pulp and containerboards as well as corrugated packaging solutions. The container board mills are located in Finland and Poland, and the converting plants in ten countries in Europe and Asia.