WHAT’S EATING CPG FOOD MANUFACTURERS?

KEY PACKAGING CHALLENGES CAN KEEP CPG FOOD & BEVERAGE MANUFACTURERS FROM REACHING NEW HEIGHTS
A typical supermarket carries 42,214 items*. For an average grocery trip of 60 minutes, that means a shopper views 703 food items per minute.

Food companies compete on multiple levels to attract consumers – from quality and taste to visual appeal. Shoppers pass hundreds of products in the supermarket. Catching and holding their attention to transform a “browse” into a “buy” is the critical job of packaging, artwork, and labeling.

**Packaging is the first thing consumers see.** Not only must consumers find a package appealing, they must also find important information, such as ingredients, nutritional information, suggestions for preparation and serving, as well as more technical information like expiration date, storage, and package recycling.

Since there are only a few precious seconds to make a difference at retail, food manufacturers are busy making their packaging as attractive and informative as possible.

**But what keeps companies from planning their packaging efficiently?**

*Food Marketing Institute, 2014

**THE PRESSURES ON PACKAGING**
A food manufacturer’s typical packaging ecosystem is quite extensive. A significant number of different internal (and external) departments and functions need to provide input and approval on any artwork or copy. **BUT, it can be extremely difficult** just to get the right people in the room at the same time to make decisions.

Many of the functions can be at different sites around the world, and getting everyone to contribute to the global effort is not without pitfalls. Frequently, packaging designs or copy can linger for weeks as the chain of needed approvals breaks down.

Small items can derail projects and cause critical delays. Legal errors, tardy layout requests, or missed labeling copy can cause a complete rework of a project and “reset the clock” to get a package approved.

Project managers can spend a lot of time just chasing approvals throughout the company to **keep the packaging timeline moving.** This time could be better spent working on other elements of the project, or better yet, working on new projects.
Labeling regulations are only getting more complex for food manufacturers to manage. Regulations are often different from one country to another, and each region must verify packaging compliance with local laws.

This complexity presents a problem that can dramatically slow down global launches. If one region looks to reapply artwork from another region, it often takes a significant amount of rework and precious time is wasted.

The repercussions of not complying with regulatory requirements on labeling can cause delays in launch, or worse, packaging recalls.

As an example of shifting regulatory requirements, the U.S. Food and Drug Administration (FDA) has issued new Nutrition label guidelines beginning July 26, 2018 aimed at improving overall consumer health. The guidelines will force companies to change the font size, bold letters, vitamins and mineral requirements, and the explanation for the percentage of daily value.

In many parts of the world, food manufacturers are assessing whether IT systems and processes will need to be adapted to optimize how their product and label information is stored and presented across all channels, in order to meet new requirements (GS1, and so forth).
Consumer Packaged Goods manufacturers use a variety of agencies and suppliers to bring their brands and packages to life. While this distributed eco-system helps companies focus on core strengths, it also fragments the work around designs, labels, and data across multiple systems and companies. As a result, companies often cannot find previous designs or need to pay external agencies to search and share designs they already did. This problem gets compounded when working across geographies and business units.

A single product may need 10 or 12 label variations for just one market. As the product is launched in multiple geographies, that number grows exponentially in order to manage the complexities of different regulations, languages, and sizing to create the right packaging for consumers. Now throw in the different regulatory requirements, and you have a real challenge on your hands!

Today many companies manage their copy with word processing documents or spreadsheets that are scattered around the company on network drives and individual computers. When it’s time to produce new artwork, no one is quite sure which version of copy and graphics is correct, or even if what is currently in the market is 100% accurate.
As companies expand into new segments and new geographies, it’s always important to keep in touch with consumer trends, their worldview, and their product experiences. It’s particularly critical in the food industry to acquire and maintain a deep understanding of the tastes and preferences of consumers in each region.

And it’s important to pair that understanding of the consumer with the ability to react quickly to any changes and beat the competition to the shelf. Those companies that can adapt and re-use packaging across regions or take swift advantage of a new consumer trend will continue to lead in the marketplace.

A typical food maker can have hundreds of SKUs in dozens of countries. In order to keep up with the changing preferences of the consumer and launch fast, the company’s packaging process must be efficient. But there are so many elements that can cause slowdowns. For example, if your packaging creative is at an external agency, you’ll have to ask and wait for someone to send it. If it’s for multiple regions, all of a sudden you have a logjam of requests, causing delays.

Or consider a regional launch where they have an older packaging file version. Putting packaging in the market that is off-equity or using older trademarks could trigger costly recalls.
Perfect Package
From Dassault Systèmes

When package design efforts are scattered across groups and suppliers using different systems, you can have rework, delays, higher costs, quality issues, and recalls. What if you could break down the silos and get everyone working together using an integrated business platform? 

Perfect Package is a 3D Industry Solution Experience utilizing Dassault Systèmes’ 3DEXPERIENCE platform that enables Brand Manufacturers, Design and Marketing Agencies, Packaging Suppliers, and Artwork Studios to collaborate together to create breakthrough designs. Perfect Package allows for rapid iterations from sketching the initial concepts to seeing complete designs in store, and then designs can be rapidly adapted to meet the needs of local markets across the globe.

With Perfect Package, companies can

- significantly shorten package design cycles up to 50%
- cut packaging materials costs by 30-50%
- virtually eliminate the chance for recalls
- product specifications with designs, copy, and information digitally available, it makes it easier for fast adaptation and re-use for regional campaigns.

Perfect Package also integrates to GS1 industry standards for artwork authoring and artwork proofing tools to reduce the chance of errors, provide digital review and comparison, serve as the system-of-record for all artwork and language copy. This eliminates many of the sources of packaging errors that could trigger a product recall and cost millions.

Leading CPG food and beverage companies have improved packaging artwork efficiency using Perfect Package. Contact Dassault Systèmes to discover firsthand how you can create packaging smarter, faster, and cheaper than the competition.

Available ON PREMISE or ON CLOUD
“Instead of sending physical samples and proofs back and forth, we can provide secure access to our data resulting in faster iterations. As a matter of fact, we are 100% digital for labeling design and approval.”

“We now have the potential to guarantee data consistency for our entire ecosystem and to facilitate collaboration between all our sites in different countries, as well as with our external partners and suppliers.”

“With the 3DEXPERIENCE platform, we can digitally exchange ideas, which is faster, more intuitive, and results in few to no packaging recalls.”

“With the 3DEXPERIENCE platform, our packaging designs are accessible from anywhere in the world, and the different sites can make the required adjustments to meet local regulations directly to the master data.”
Our 3DEXPERIENCE® platform powers our brand applications, serving 12 industries, and provides a rich portfolio of industry solution experiences.

Dassault Systèmes, the 3DEXPERIENCE® Company, provides business and people with virtual universes to imagine sustainable innovations. Its world-leading solutions transform the way products are designed, produced, and supported. Dassault Systèmes’ collaborative solutions foster social innovation, expanding possibilities for the virtual world to improve the real world. The group brings value to over 210,000 customers of all sizes in all industries in more than 140 countries. For more information, visit [www.3ds.com](http://www.3ds.com).