

# EFFECTIVE USE OF EDIBLE PACKAGING IN THE FOOD AND BEVERAGE INDUSTRY



## Market Situation

Over the past few years, edible packaging has emerged as one of the key sustainable packaging solutions in the food and beverage industry. These packaging forms are manufactured by using sustainable materials namely seaweed or casein which are applied as a consuming wrapping or coating around the food products. As a result, the consumers can consume food products along with coating which results in reducing the dependency on plastic as packaging materials along with limiting the generation of less waste. A positive outlook towards the processed food industry on a global level in light of new product launches by leading companies namely, Kellogg, McCain Foods Limited, General Mills, and Nestle is expected to keep the momentum up for the edible packaging market in the near future.

Some commonly edible packaging formats include straws, food films, eco-bags, spoons, and bottles. The edible packaging market is in the stage of development where the industry participants across the value chain from not only manufacturers but technology or research service providers are also increasing spending on innovation. For instance, it is reported that researchers from the University of Nottingham developed 100% edible biodegradable food films which are manufactured from plant-based carbohydrates namely, konjac flour, starch, cellulose, and proteins. This developer assured that these edible packaging formats are capable enough to offer key attributes namely better storage and superior shelf life.

## Client Challenges

The client from the food and beverage industry has been facing the following challenges:



The client faced issues in terms of increasing cost to reduce the pollution count for generation from plastic waste



Client had received multiple feedbacks from customers of the food products, who are concerned about the hygiene and hazardous effects associated with the packaging of the finished goods

## Our Approach

Working closely with the leading food processing companies, we have identified the following opportunities to increase the use of edible packaging among buyers:



### Identification of Companies Who Could be the Prospecting Buyers

The majority of companies are aware of sustainable packaging as a result of the implementation of various regulatory norms to reduce the inclusion of synthetic packaging materials coupled with increasing concerns among buyers regarding hygiene. Therefore, we have identified dairy products and processed meat as the key segments where the prospect of edible packaging as a sustainable solution could not be ignored. For instance, the incorporation of antimicrobial filming by chitosan-based edible films on cheese products will result in enhancing the shelf life of the finished goods in the near future.

### Implementation of Green Marketing as a Tool for Enhancing the Penetration

Green Marketing is known as the marketing of products and offerings which are supported by numerous environmental factors. As per the notification of the American Marketing Association, green marketing is defined as the marketing of products that are presumed to be environmentally safe. As a result, the adoption of green marketing is expected to play a crucial role in enhancing the awareness of edible packaging among buyers over the next few years.

## Our Recommendations

Based on the indicators obtained from our research study, we have proposed the companies following series of initiatives which will expand the use of edible packaging among buyers:

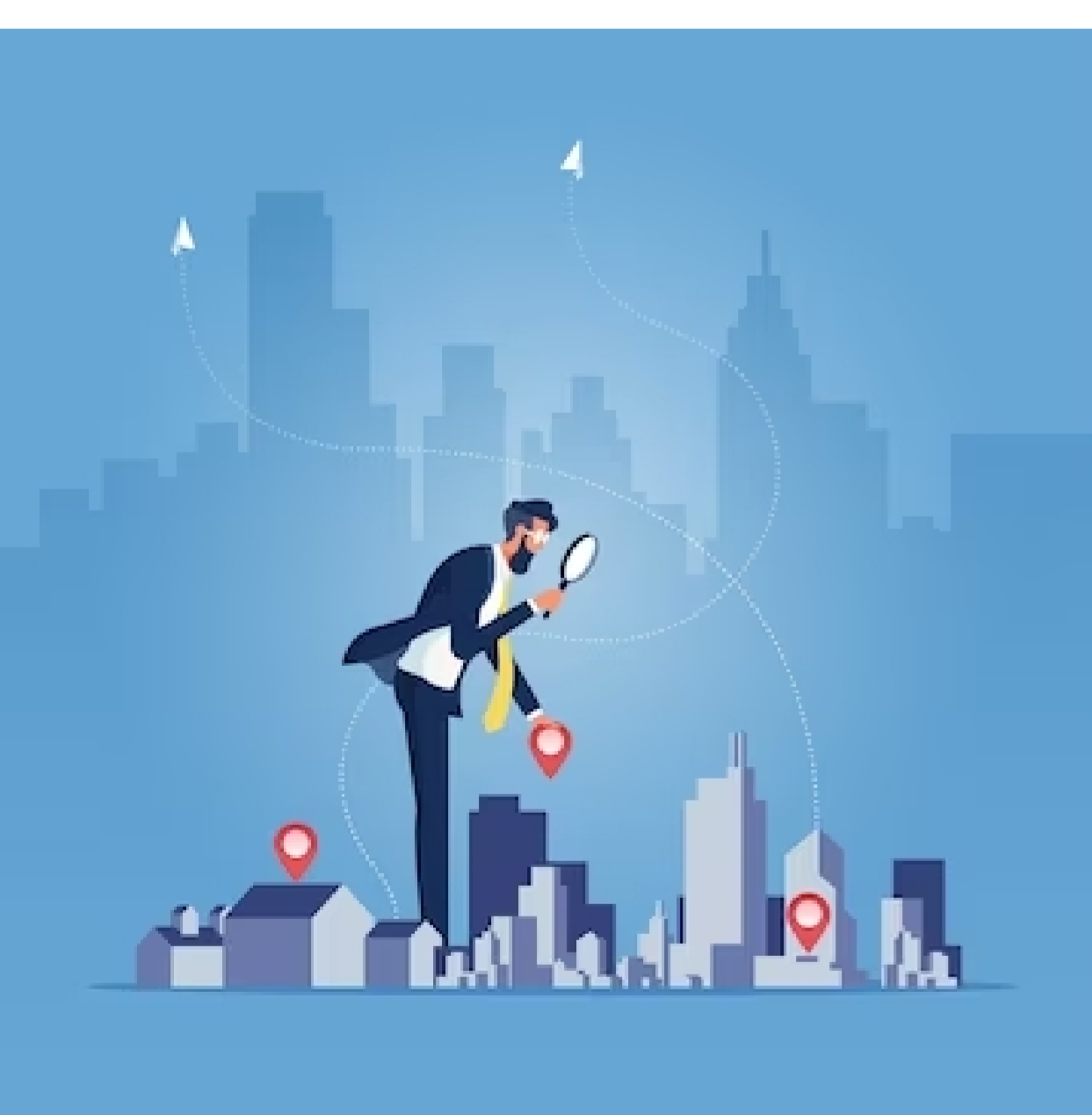


### Increasing Awareness Regarding the Awareness Towards Reduction of the Total Cost Of Ownership by the Use of Edible Packaging

More awareness programs should be organized for the purchase managers of decision makers to suggest how the use of edible packaging is likely to reduce the total cost of ownership among food processing companies regarding the use of such packaging product forms.

### Rising Spending on Improving Labeling Attributes

Food processing companies need to focus on incorporating the features associated with the edible packaging in the food products so that the product awareness could be reached to the buyers. Furthermore, the attractive labeling for edible packaging is expected to induce the consumers' increased spending on shop counter-purchase and thus pave the way among the processed food manufacturing companies to prospect for packaging of such sustainable alternatives for other goods



## Business Impact

The effective use of edible packaging by food processing companies has resulted in not only increasing the shelf life of the finished goods. Having said this, the companies have received a positive response from the customers who purchased the products through offline retail and e-commerce channels. Furthermore, the rising consumers' awareness regarding eco-friendly packaging in developed markets of Europe and North America is expected to induce the industry participants to charge premiums to the buyers over the next few years.

## Conclusion:

The implementation of regulations aimed at restricting the use of synthetic-derived packaging products coupled with the shifting preference towards eco-friendly packaging and labeling in the food and beverage sector is expected to promote the use of edible packaging. Furthermore, the customers are also preferring these packaging formats as they are capable of enhancing the taste and texture of foods, by incorporating the crunchy coating for snack foods along with enhancing the flavor of drinks.

