

Module 3: Branding

Lesson 4 - Packaging & Labeling

OVERVIEW

In this lesson, students will recognize the important role packaging and labeling plays in marketing.

Objectives

1. Recognize the two primary purposes of packaging.
2. Identify the functional benefits associated with packaging.
3. Identify the branding and marketing benefits associated with packaging.
4. Describe the concept of labeling.
5. Explain how government agencies protect consumers as it relates to labeling.

KEY TERMS

Labeling

Packaging

This Lesson Bundle Includes:

- Packaging & Labeling - Lesson Outline
- Packaging & Labeling - Presentation Slides
- Industry Application - Related Links
- Student Activity - Package Redesign

Lesson 4 - Packaging



DISCUSSION

When you browse the aisles of a department store or grab a snack at a convenience store, do you notice the packaging? Has it ever influenced a purchase decision? Do you read the labels on any food or beverage that you are shopping for? Why do you think brands bother with how a product is packaged, how the packaging is designed, and what information is on the label?

PACKAGING

In its most basic form, packaging is a critical component of the distribution process. If improperly packaged, an Xbox shipment would arrive at retailers damaged or broken. Crocs and Hollister merchandise would be defective with loose threads or fabric flaws. Without a tightly sealed cap, a bottle of Sprite would lose its carbonation. Even a carton of eggs must be properly packaged or they would most certainly crack before consumers could safely transport them from the grocery store to their homes.

However, the function of packaging is much more than simply placing the product in a container or surrounding it in bubble wrap before putting it in a box. Effective packaging can provide businesses with a valuable marketing opportunity. When executed well, good packaging can bolster a business's branding. This requires much more than simply placing a company logo on a wrapper or adding packing peanuts to a box to keep products safe during transport. Businesses invest significant resources in building effective packaging strategies, a process that relies on market research and a fundamental understanding of the brand's target consumer.

In marketing, **packaging** refers to the process of designing and producing the container for a product. The container could be anything from a candy bar wrapper to the packaging surrounding a new Android device. How important is packaging as it relates to marketing? Some industry professionals actually consider packaging as a fifth "P" in an expanded variation of the marketing mix. Packaging provides branding, positioning, and differentiation opportunities that can help to influence consumer purchase decisions. It gives consumers a reason to buy the product.

Packaging can serve two basic purposes, it offers both functional benefits as well as branding and marketing opportunities for a company.

Functional benefits:

- Protection of the product itself during shipping and delivery
- Proper storage to prevent breakage or spoilage
- Consumer safety
 - Potential hazards
 - Lithium battery warnings
 - Small parts that could be dangerous for certain people
- Product guarantees



Branding and marketing benefits:

- Differentiation
 - When Lululemon launched its first line of footwear incorporating its “Science of Feel” innovation, the “Blissfeel” product line was designed to provide a better fit and feel for runners than competing products
 - To help differentiate the product, “Blissfeel” packaging [included](#) tissue paper emblazoned with the word “feel” in varying fonts (via [Fast Company](#))
- Positioning
 - Apple’s sleek, modern packaging positions its products as an elegant brand compared with other brands who use cheaper packaging
- Rebranding
 - In 2022, Keurig Dr. Pepper [rebranded](#) its line of “Diet” products, labeling them with the term “Zero Sugar” instead of “Diet” on all packaging
 - The new packaging includes all Keurig Dr. Pepper products, including brands like 7Up, A&W, Sunkist, and Snapple



- Attract the attention of consumers
- Communicate important information about the product
- Innovation
 - In 2022, [Land O'Lakes](#) introduced innovative packaging as a way to reach the millions of Americans who spent more time cooking at home during the COVID-19 pandemic by introducing [butter balls in pre-portioned sizes](#)
 - The packaging was designed to make cooking easier rather by providing a pre-portioned product instead of a traditional stick of butter
 - Also in 2022, the popular dish soap brand Dawn [re-imagined](#) its packaging and developed a new bottle of dish soap that sits upside down in a way that prevents drips and leaks, keeping the bottle from clogging
- Marketing and promotions
 - Inserts might encourage consumers to leave a review online or provide a coupon offering an additional discount on other products)
 - When brands engage in promotional tie-ins with movie studios or launch sports marketing promotions, packaging helps to bring awareness to those partnerships
 - For example, Dr. Pepper [partnered](#) with Universal Studios for the 2022 blockbuster film, 'Jurassic World Dominion'
 - One component of the partnership included limited edition 'Jurassic World' themed packaging on Dr. Pepper bottles and cans

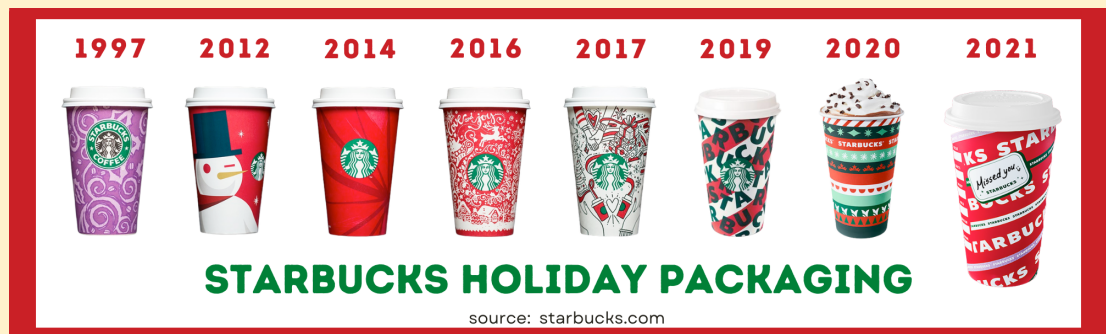


DISCUSSION

In 1997, Starbucks [introduced](#) unique holiday-themed cups to serve its popular coffee drinks. Two years later, the first iteration of its iconic red cup was released. Subsequent designs have featured everything from a snowman to ornaments and reindeer. Today, fans even count down the [days](#) until Starbucks releases its new holiday packaging.

Discussion Questions:

- Why do you think Starbucks chose to introduce holiday-themed packaging?
- Do you think there is any risk associated with offering holiday-themed packaging from a brand perspective? Why or why not?
- Why do you think they consistently feature the color red with each design?
- What else could Starbucks do from a packaging perspective that might benefit the company?



LABELING

In marketing, **labeling** is the attaching of messaging to packaging that communicates key product information to consumers. Its main function is to inform customers about the product's contents and give directions for its use.

Like packaging, when used properly, labeling provides a business with a variety of branding benefits. Effective labeling can help to differentiate a product from competing products while helping with brand or product positioning. However, when labeling offers claims that are not legitimate, or omits important information about ingredients, a business could be subject to legal recourse. Government agencies are in place to help protect consumers from illegitimate claims about products and services, including false advertising and deceptive or misleading advertising.

Consumer Protection

Consumers are protected from false, misleading or deceptive claims from brands by a variety of government agencies.

- The Fair Packaging and Labeling Act (FPLA)
- U.S. Food and Drug Administration (FDA)
- The Federal Trade Commission (FTC)
- The U.S. Department of Agriculture (USDA)

The Fair Packaging and Labeling Act (FPLA) and Federal Nutrition Labeling and Education Act

The Fair Packaging and Labeling Act (FPLA) has been protecting consumers from misleading packaging and labeling since 1966. The federal Nutrition Labeling and Education Act enacted in 1994 requires that labels give nutritional information on how a food fits into an overall daily diet.



U.S. Food and Drug Administration (FDA)

The U.S. FDA requires manufacturers of certain products to place health warnings on their packages. The organization monitors these claims to ensure legitimacy.

The Federal Trade Commission (FTC)

The FTC monitors labels and advertising for false or misleading claims and deceptive advertising practices.

The U.S. Department of Agriculture (USDA)

The USDA issues legal standards and certification requirements for organic labels.



KEY TAKEAWAY

Packaging refers to the process of designing and producing the container for a product. Packaging provides branding, positioning, and differentiation opportunities that can help to influence consumer purchase decisions. It gives consumers a reason to buy the product.

Packaging can serve two basic purposes, it offers both functional benefits as well as branding and marketing opportunities for a company.

Labeling is the attaching of messaging to packaging that communicates key product information to consumers. Its main function is to inform customers about the product's contents and give directions for its use.



ACTIVITY

Apply what you have learned in this lesson by developing a new packaging strategy for a popular consumer goods brand.

For this activity, your teacher will divide the class into groups or pairs, and each team will draw a card from two separate decks. One deck will feature a consumer goods product, the other will offer a key word describing why the brand might choose to redesign its packaging. Use the worksheet provided by your teacher to create a rough sketch depicting what the new packaging will look like. Be as detailed as possible with your new packaging strategy.

After your package redesign is complete, you will present your concept in class. The class will then vote on whether the packaging successfully communicates the brand message identified on the cards drawn from the second deck.





INDUSTRY APPLICATION

Connect your classroom with industry examples by reviewing the following news stories relating to concepts covered in this lesson:

Sustainable Packaging - [Coca-Cola Rolls Out Bottles With Caps That Don't Come Off To Reduce Litter](#)

Sustainable Packaging - [America's #1 Ketchup Brand Is About To Launch A Paper Bottle](#)

Creative Packaging - [New Nitro Pepsi has widget on bottom of can to create unique texture](#)

Creative Packaging - [Panera Reveals 'Ugly' Festive Cups for the Holiday Season. Designed by TikTok Star Emily Zugay](#)

Purposeful Packaging - [Cracker Jack ushers in a new ballgame with Cracker Jill packaging](#)

Labeling - [Specific claims like 'cruelty-free' are more effective than USDA organic label: survey](#)

Labeling - [Skittles Lawsuit Alleges the Fruit Candy Is 'Unfit for Human Consumption'](#)

KEY TERMS DEFINED:

Labeling: The attaching of messaging to packaging that communicates key product information to consumers.

Packaging: Refers to the process of designing and producing the container for a product.

