

Good Things Come in New Packages

Familiar brands have found that updating product packaging can give a big boost to the bottom line. So why does that new bottle, box or bag result in beaucoup bucks?

BY MICHELE MEYER
PHOTOGRAPHY BY MIKE TAFT

Call it “wrapture,” the way toddlers ooh and ahh over a gift’s wrapper—and forget the contents.

Yet so do we. Every time our shopping baskets fill with gadgets and treats we suddenly crave—but that are not on our shopping list—marketers succeed.

Up to 72 percent of our purchase choices are made within seconds and on the spot, reports Washington-based industry group Point-Of-Purchase Advertising International.

In an era of iPods, cell phones and personal digital assistants that divide our attention, traditional advertising has

lost its hold. But the power of packaging is even greater and can boost a product’s survival odds as much as sevenfold. It’s also needed, with 33,000 new or retooled packages entering the market yearly.

“For manufacturers, it’s like having 100,000 salespeople on the shelves working to sell to each customer,” says David Deal, creative director and principal at Deal Design Group in San Diego. “I’m amazed when brands skimp on packaging. It’s like developing the next generation Ferrari, then relying on a pimply teen in a brown polyester suit as your salesperson. Ferrari would never do that, but companies do it every day.”

Worth the Investment?

Astute entrepreneurs invest vast resources in a box, tube or jar: five years and counting for Whole Foods’ 365 Organics line, and \$1 million-plus for Betty Crocker’s latest baking mixes.

Tickled pink

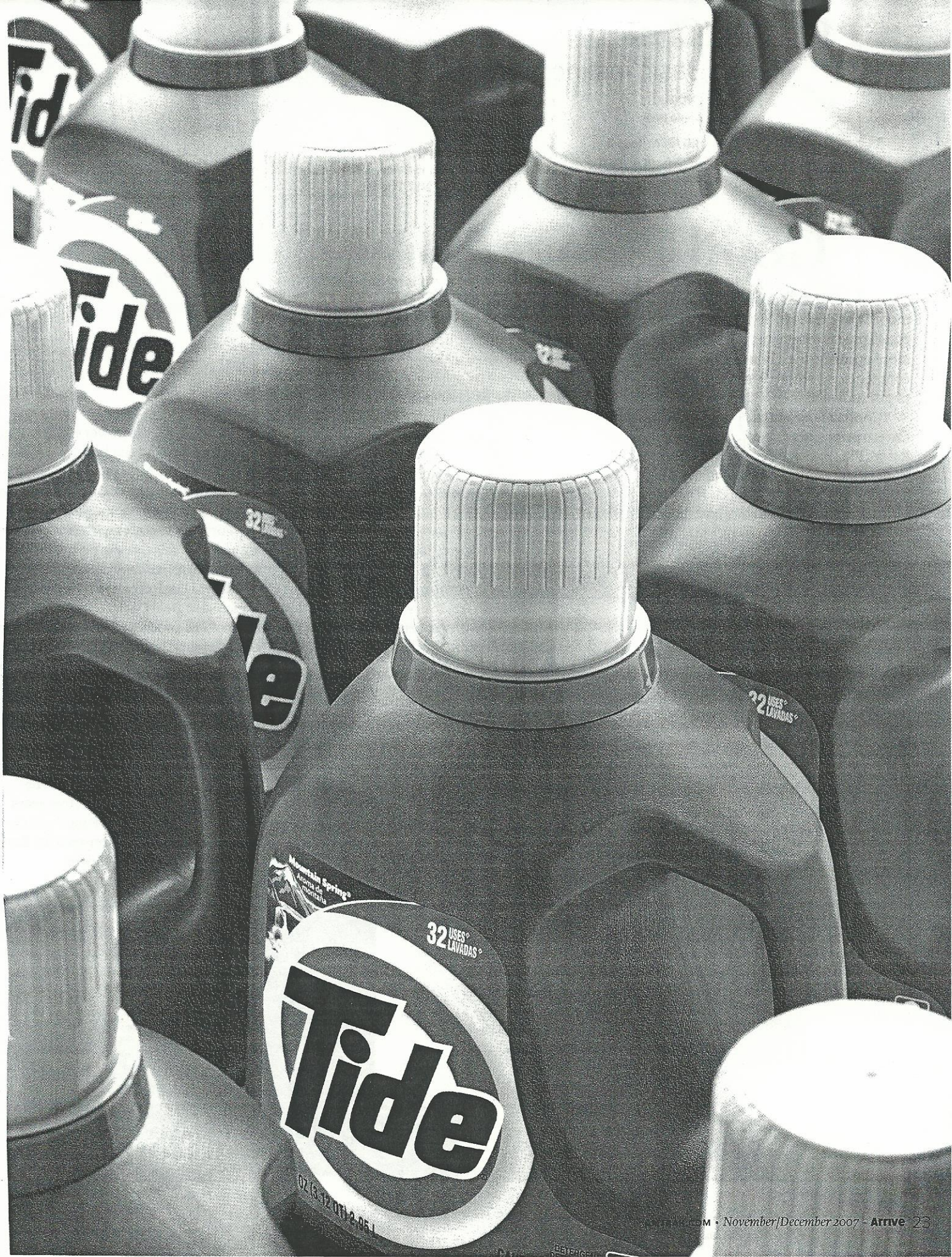
PRODUCT:

Eukanuba canine chow

BIG IDEA: Color can be a powerful visual weapon.

Pink isn’t a color associated with food or dogs—so Iams Co.’s Eukanuba canine chow uses bright shades of the color. They stand out in a crowded food aisle.





Basic instinct

PRODUCT:
Apple iMac

BIG IDEA: Keep it simple—or at least make it look simple.

You could call it the Apple Principle. That brand's explosive sales of iMacs taught computer makers that we like simple graphics for complex electronics. The principle has guided Apple's renaissance, with iconic products like the iPod and iPhone.

From hiring a design firm to the final creation may take six weeks to nine months, at the least. You'd think drawing board time is most vital, but pros focus more on analyzing a brand's history, competition, intended message and target audience.

"Context is essential," says Matt Cave, a principal of Crave Inc., a Boca Raton, Fla., package design firm. "You want to stand out and be unique, not be a freak."

Such efforts are worth every penny. For each \$1 invested, a container can deliver \$415 of boosted sales, reports *Design Management Review*.

"The return on investment is by far one of the most efficient marketing tools," says David Becker, president of San Francisco's Philippe Becker Design Inc., which has dressed up Safeway's O Organics. "Without its own look, what's to differentiate the greatest product in the world from its competitors? Often, the package is the only ad a product will have—and it's the one ad you take home with you."

A new label also can restore vitality to a tired product and spur new buzz while increasing sales as much as 30 percent, reports the trade's Institute of Packaging Professionals.



With so much at stake, labels appeal to your eyes and your emotions. They startle, amuse, comfort and energize you, or stroke your ego. "We're overloaded with information from all fronts, so packaging has to touch us personally," Cave says. "You like it or

you don't—your reaction is built into your DNA."

Think about the first time you saw the Apple iMac, with its bright white box and clean jewel-toned words. Its simplicity may have suggested ease with a complex tool, or reminded you of the sleek, tony lines of a designer boutique or the blue skies and white sands of Greece.

"I argue that's one of the reasons they're so successful," Becker says. "People will pay more for it, because it makes them feel cool."

That's also why you may be willing to pay \$20 more for a bottle of vodka you've never heard of rather than a familiar

label. "They're selling you the experience of being at a chic party and drinking a martini made with a vodka that was carved out of ice in the depths of Finland," Deal says. "If you put a beautiful bottle next to a consumer, they'll say it contributes to the taste."

Style Means Substance

Often the simpler the wrapper, the stronger its message. But don't skimp on key features.

"The more you have to search for them, the quicker you get discouraged and move on to the next package," Deal says. "If answers come quickly, you get a subliminal sense of accomplishment—and a good feeling about the product."

If an item is enduring, why mess with a good thing? Because, like actors, brands can't afford to rest on an old image. Perhaps a product shows signs of age—or, worse, irrelevance to the target audience. New competition in the category may have decimated a once-popular line's sales. Or maybe stockholders are clamoring for greater profits.

Products must also keep pace with shoppers who expect evolving trends, like soda and athletic shoes. That's why Pepsi launched eight lively can designs in February, all with the same logo and gray and blue hues, but little else in common. Every three weeks since, a new background was added, for a total of 35, reports *Package Design Magazine*.

"Today's youth is preoccupied with newness, discovery and personalization of their possessions," says James Miller, marketing director of Pepsi-Cola North America.

In fashion and food, trends come and go. So those apple-green cookie labels emblazoned with "fat-free" and "sugar-free" have migrated to the Siberia of supermarkets—upper and lower shelves—while "trans-fat free" and "organic" are buzzwords. "To compete, you've got to change the package and highlight different features," Becker says.

Age greatly influences customers' desires, says the World Packaging Organization. People 35 and younger value portability, parents prefer durability and seniors seek ease of opening. Indeed, 26 percent

Quick(er) change artist

PRODUCT:
Herbal Essences
hair care products

BIG IDEA:
Frequent updates can
lure new customers—
and keep old ones.

We get bored more quickly
today. Thus, Herbal Essences
has updated its labels twice
within about a decade, after
nearly a quarter-century
with the original bottle
and graphics.



of tuna buyers 65 and older buy cans with pull-off tabs, versus 11 percent of other shoppers.

A brand may brandish too many identities, thereby weakening its message. That's why Betty Crocker retooled its look in 2002. After RCA adopted a single visual language in 1998—the same logo, typefaces, colors and copy style—the brand gained a 14 percent hike in sales within a year, Deal says. “Ten years later, those standards are still in place.”

Forms Figure into Sales

A container's material and shape can invigorate sales, as did the “milk chugs,” hourglass plastic containers that Dean Foods Co. used to replace traditional mini-cartons. Within a year of the 1997 launch, convenience stores and vending stores added the milk chugs line. White milk sales jumped by a fourth and chocolate milk's sales doubled, reports the American Marketing Association.

And to think, says Marguerite Copel, Dean's vice president of corporate communications, “We made the change because we needed a container that fit into cup holders.”

More recently, a sister line, White Waves' International Delights, created penguin-shaped bottles to appeal to younger kids.

“They're fun, attention-getting—and increased sales,” Copel says.

A new form figured into Herbal Essences' recent redesign, reports the Institute of Packaging Professionals. Not only are the curvy containers “hand candy,” they appear to “dance” on the shelves. Also vital to the product's success was redefining the hair products' organic image from “granola and Birkenstocks” to “alive and juicy.” The brand's dollar share promptly rose 9 percent in the grooming field.

The smallest changes can speak volumes—or backfire, as when market

researchers Cheskin of Redwood Shores, Calif., tested 7-Up in cans with more yellow or green hues. Despite the same drink within, tasters reported more lime or lemon flavor—and protested.

Just switching tomato sauce from metal to a glass jar, or ice cream from a rectangular to round tub, may make us feel the products merit a higher price. They remind us of our granny's cooking, reports Cheskin CEO and principal Darrel K. Rhea. “When we decide in the blink of an eye whether or not food tastes good, we're reacting not only to the evidence from our taste buds and salivary glands, but also to the evidence of our eyes, memories and imaginations.”

A beautiful friendship

PRODUCT:
Cherry Coke

BIG IDEA:

Find a hip partner to give your product new sheen.

Coca-Cola's Cherry Coke seems urban and young for a reason. Rapper Jay-Z's Rocawear helped with last February's redesign, the cherry-flavored cola's first new look in five years. Its official launch? New York's Fashion Week, naturally.

