



**MACFARLANE  
PACKAGING**

**Peak  
Performance  
Survey 2022**

**Uncovering the challenges facing retailers and  
3PL businesses during peak seasonal demand**

# Macfarlane Packaging Peak Performance Survey 2022

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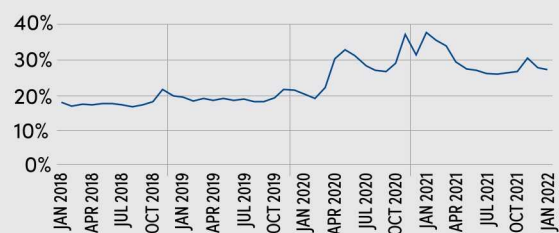
**Ecommerce is a fast-paced and challenging environment, particularly during seasonal demand. As a supplier to the market, we're keen to understand the successes and challenges currently facing retailers during their peak operating periods. For retailers and their third-party logistics partners – packaging is a critical component in their operational success, which is why we have introduced our peak performance survey.**

Our research was conducted after another challenging year for the retail market. Lockdown restrictions at the start of 2021 continued to propel online shopping to its highest ever levels. However, the lifting of restrictions saw some consumers head back to a bricks-and-mortar shopping experience.

This caused a decline in internet retail sales – with Black Friday sales down 14% compared to 2020\*. Adding to a turbulent year, the cost of raw materials remained high, and the UK was hit by labour shortages, creating a tough backdrop for all businesses.

Our peak survey assessed the biggest challenges and successes businesses faced during Q4 2021 seasonal demand, as well as how effectively their packaging performed and what their operational priorities are moving forward. Here's what we've uncovered...

## Internet sales as a percentage of total retail\*



\*Source: [ONS.gov.uk](https://ons.gov.uk)

# 42%

said their pack times increased during seasonal demand

# 10%

less than 10% are using packaging automaton

# 40%

hired temporary labour for peak

# 14%\*

Black Friday sales were down 14% compared to 2020

“ For retailers and their third-party logistics partners – packaging is a critical component in their operational success ”



# The challenge of operational efficiency and rising costs

**It comes as no surprise that almost a quarter of survey respondents said productivity was their biggest challenge during peak. 42% said their pack times increased during seasonal demand, with 30% saying their pack time increased by a minute or more. Significantly, this highlights how seasonal demand can strain efficiency and emphasises how important an optimised warehouse layout and quick to assemble packaging materials are to achieve optimum throughput.**

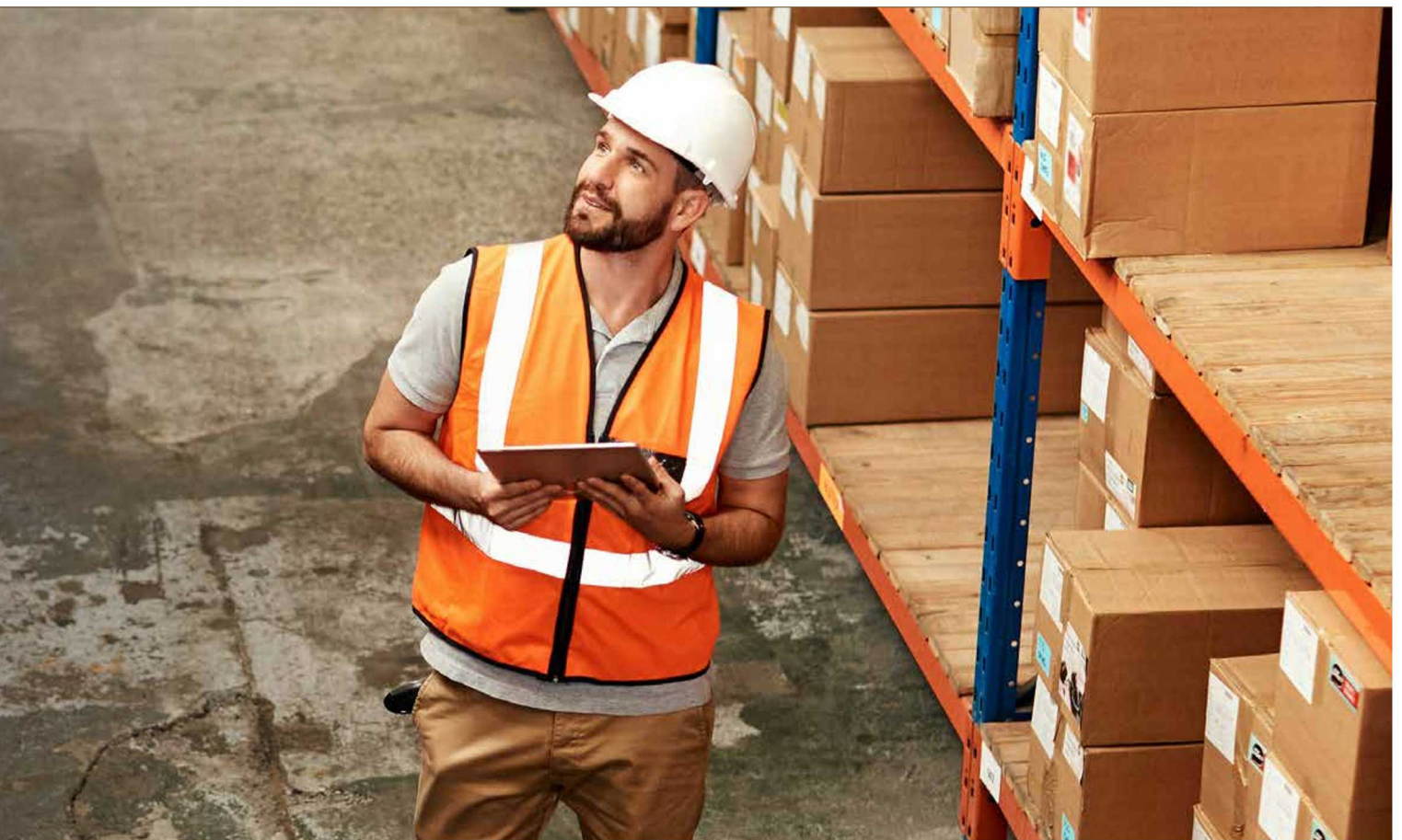
Almost 40% of retailers and 3PL businesses report hiring temporary labour too. This can be costly and can impact how productive pack lines can be, especially when you factor in that seasonal staff may not have the same level of experience as full-time packers. The consequence? Slower pack times and inconsistent use of packaging materials, which can result in increased damages and more packaging waste.

Despite reporting productivity as a big challenge during peak 2021, less than 10%

of respondents are using packaging automation. While many consider packaging automation costly, it can help retailers and 3PLs increase output, minimise the need for seasonal labour, and help future-proof productivity levels long term.

In addition to productivity, 18% of survey participants reported that their packaging materials were a challenge for them, believing they could be more sustainable or easier to use. Likewise, the same number reported storage was a difficulty for them, as they didn't have enough room for both their packaging supplies AND their product. Space is at a premium... This can have a knock-on effect on operational costs, particularly if businesses are paying for temporary storage during peak, on top of seasonal labour.

In the face of rising costs and labour shortages, retailers are presented with a challenging landscape ahead. So, it is predictable that 25% of survey respondents said they want to reduce overall supply chain costs in 2022.





# Making sustainability a priority in 2022

Over 95% of retailers say that sustainability is important to their business. With people and businesses putting the preservation of the planet front and centre, we are seeing a marked shift towards retailers and 3PLs demanding eco-friendly packaging solutions that help them become more sustainable.

Positively, 88% of survey respondents reported the packaging materials they used during peak are already recyclable, with 40% saying their packaging is made from sustainable materials. As for the future? 47% of participants also

report that improving their sustainability and reducing CO<sub>2</sub> emissions or introducing sustainable or reusable packaging alternatives will be a priority in 2022.

This undoubtedly reflects the rise of eco-conscious consumerism, identified in our unboxing research, where almost 1 in 5 consumers reported they will not buy from a retailer that doesn't use sustainable packaging.

View our unboxing research:  
[macfarlanepackaging.com/unboxing](https://macfarlanepackaging.com/unboxing)

**49%**

say consumers want packaging to be sustainable and recyclable

**47%**

are prioritising sustainability and CO<sub>2</sub> reduction for the future

**95%**

of retailers say that sustainability is important to their business

**20%**

say their damages increased during peak, which can impact costs and the environment



# Balancing customer experience and the rise of eco-conscious consumers

**37% of survey respondents said customer experience was their biggest success during peak. However, there's always room for improvement...**

In fact, 20% of retailers reported their damages in transit increased during peak. Damages and returns can be a big frustration for consumers. Especially because 65% of respondents said that the number one expectation of consumers from their packing materials is packaging that gets their product(s) to them safely. This demonstrates why the right protective packaging can be critical. It can make the difference between a parcel arriving in pristine condition or not. And let's not forget about the cost of damages – product replacement, reverse logistics and reputational damage all have an impact on a retailer's bottom line. Plus, damages cost the environment too. Every time a product is damaged and returned, the carbon cost of the transaction doubles. Not ideal, when sustainability is on the agenda.

So, what else do retailers believe consumers expect from their packaging?

52% believe that consumers want packaging that is recyclable and another 49% say that consumers want retailers to use packaging that is made from recycled or sustainable materials. It's no wonder that 47% of survey respondents also report that improving their sustainability and reducing CO<sub>2</sub> emissions or introducing sustainable packaging alternatives will be priorities in 2022. Eco-friendly packaging is no longer a nice to have – it's a must have as part of a balanced customer experience!

A quarter of respondents also report that consumers expect packaging that's branded and creates a memorable unboxing experience. Packaging is often the first physical touchpoint in the ecommerce customer journey, so it represents an opportunity to connect with customers, spark joy, and create a lasting positive impression. Sustainability can be part of this experience too – through appropriate choice of packaging materials, as well as clear messaging that reflects a businesses' sustainability strategy.

## What our peak performance survey results mean for the future

There's no doubt that retailers and their 3PL partners face an ever-challenging landscape and Macfarlane Packaging's peak survey results reflect that. To combat rising costs, while maintaining (or improving) supply chain efficiency, businesses will need to be creative, and packaging will play a vital role in that if they want to future-proof for long-term growth and seasonal demand.

Packaging will also be critical in helping internet retailers and 3PL businesses achieve their sustainability goals.

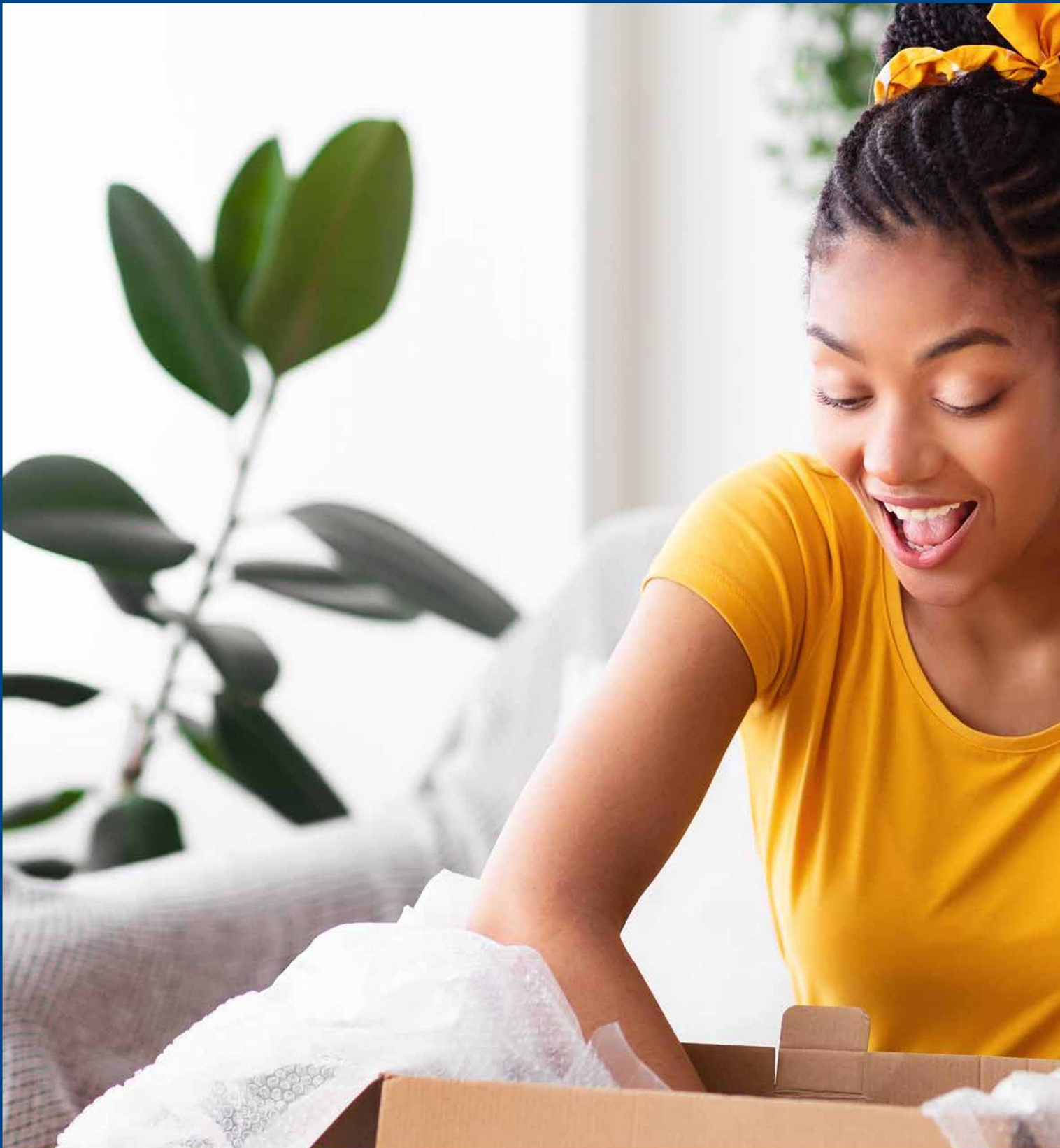
Using the right materials combined with appropriate packing processes can help businesses in these sectors reduce material use, lower waste, and even cut CO<sub>2</sub> emissions. Eco-friendly packaging will also factor into the buying decisions of consumers and the customer experience – putting it front and centre on the operational agenda of retail and 3PL companies will pay dividends for the future.






# How Macfarlane Packaging can help you deliver for your customers

At Macfarlane Packaging we can help you balance the complexities of customer experience and supply chain efficiency with expertly designed ecommerce packaging. We solve problems with packaging solutions that deliver speed, accuracy, product protection, and an outstanding unboxing experience, while helping you achieve your sustainability goals...





## Eco-friendly packaging that supports your sustainability strategy

Packaging has an important role in product protection, but we must design and use it properly. The right eco-friendly packaging can significantly reduce waste in your supply chain AND reduce your impact on the environment.

- Huge range of sustainable, recyclable packaging products available
- Solutions designed to reduce waste, lower pack weight and strip CO<sub>2</sub> from your supply chain

## Bring packaging to life at our Innovation Lab

The Macfarlane Packaging Innovation Lab is a state-of-the-art facility that can help you develop your ideal unboxing experience – all under one roof.

- Deliver the WOW-factor
- On-site design team
- The latest packaging equipment
- Production finish printed samples
- Augmented reality technology
- Industry-standard testing equipment

## Packaging with a 100% open rate

We believe the unboxing experience represents a great opportunity to spark joy with customers, build brand loyalty and differentiate yourself in a saturated market. What other marketing opportunity will have a 100% open rate with a captive audience? Choose great ecommerce packaging that will:

- Be made from sustainable materials
- Reflect your brand
- Deliver product safely to your customers
- Be easy to open and return
- Be simple to recycle or reuse

## Work with dedicated retail & 3PL experts

We have a team dedicated to supporting online and multi-channel retailers, and 3PLs, like you with expert packaging advice, planning services and logistical know-how, so you'll be confident your packing materials and processes can deliver whatever time of year.

- Dedicated support
- Solutions tailored to your growth & goals
- Commitment to continuous improvement
- Packaging aligned to your sustainability strategy

## The Packaging Optimiser

A ground-breaking tool that can quickly and easily show you exactly what your packaging is costing you and the environment. With the Packaging Optimiser we can show you how changes to your packaging, warehouse layout or processes can save you time and money, as well as cut your emissions.

- Reduce operational costs
- Lower material costs
- Compare packaging materials
- Cut CO<sub>2</sub> from your operation

## Packaging automation & warehouse design

In addition to packaging materials, Macfarlane Packaging can provide packaging automation and warehouse design to help you maximise your operational efficiency.

- Maximise pick, pack & dispatch
- Automate packaging from boxing through to taping, bagging and warehouse movement
- Organise your warehouse to cope with spikes in demand and future-proof your business



To find out how we can help you deliver in peak and year-round, including reducing costs and your impact on the environment, contact us today:

**0800 2888 444**

**[contactus@macfarlanepackaging.com](mailto:contactus@macfarlanepackaging.com)**

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