# OVERCOMING THE CHALLENGES OF THE EVOLVING E-COMMERCE SUPPLY CHAIN



PMMI, The Association for Packaging and Processing Technologies, examined the growing e-commerce market in the United States.

A more complex supply chain with added shipping responsibilities heightens the stakes as manufacturers and retailers aim to win over consumers with appealing product packaging that offers protection at minimal cost.



# ANNUAL GROWTH RATE OF TOO 2009

# SHARE OF PRODUCTS SOLD VIA E-COMMERCE





NUTRACEUTICAL



FOOD





**FURNISHINGS** 





# DELIVERY ...

# DURABILITY

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#### Concern

Each step in the delivery chain increases the risk of damage to the package. Replacing a destroyed item can cost up to 17 times as much as shipping, and overcoming negative reviews stemming from such an incident can take months.



### Solution

**Upfront engineering and due diligence** will ensure a package can
hold up in different shipping scenarios.



# **RIGHTSI7ING**

#### Concern

A growing number of possible combinations of products and package sizes complicates and strains the limited space available for warehousing and transportation.



#### **Solution**

Effectively using warehouse management systems can help make rightsizing feasible.



# PRODUCT MARKETING

#### Concern

Marketers want packaging to reflect current branding. Engineers often question the value of packaging marketing on products already purchased. The logistics industry worries branding on secondary packaging can lead to theft.



#### Solution

Brands can differentiate by using aesthetically pleasing, sustainable packaging or adding a hand-written note for a personalized touch. To reduce the risk of theft, opt for low profile branding on secondary packaging, such as a small logo or brand-themed tape.

DELIVERY



# **DISCONNECT WITH THIRD PARTY RETAILERS**





#### Concern

Packaging for products sold through a third-party retailer might not match current pictures and overall branding.







Manufacturers looking for more information can visit the co-located **PACK EXPO Las Vegas and Pharma EXPO 2015** or can download the full E-Commerce Market Assessment at pmmi.org. (\$500 for non-members)