eCommerce:
What the Consumer Wants

Procter & Gamble Packaging
Sustainability

October 31, 2018
Brent M. Heist
heist.bm@pg.com
A Company of Leading Brands

COUNTRIES WE OPERATE IN 70
COUNTRIES WHERE OUR BRANDS ARE SOLD > 180
ANNUAL SALES (FY17/18) ~ $67 BILLION
CONSUMERS SERVED DAILY ~ 5 BILLION
P&G’s Long-Term Sustainability Vision

- **Materials**: Using 100% renewable or recycled materials for all products and packaging
- **Energy**: Powering all our plants with 100% renewable energy
- **Consumers**: Designing products that delight consumers while maximizing the conservation of resources
- **Landfill**: Having zero consumer and manufacturing waste go to landfills

Reduce our environmental footprint.
Enable consumers to be more sustainable.
At P&G we put the consumer first. When we say consumer, you may need to think—

Customer  Resident  Subscriber
Shopper   Voter    Tenant
Guest    Citizen  Client

These are all the same person
P&G eCommerce is Growing Quickly

ANNUAL SALES (FY17/18) ~ $67 BILLION
ECOMMERCE SALES (FY17/18) ~ $4.5 BILLION
ECOMMERCE GROWTH 1YR ~ +30%
Packaging is product differentiator at shelf

Primary goal of any CPG packaging is to get consumers to touch the package
  Color, shape, decoration

Very limited engagement time in store

Perception of product quality by package quality
Look for known and trusted brands

Expectations set by experiences in “physical” world

No opportunity to touch the package
  Images/video
  Reviews/comments
When it Doesn’t Work

What I ordered online

What I received

New/used?
Counterfeit?
Safe?
Brick & Mortar transition to eCommerce

Look for known and trusted brands → Packaging like they know from shelf
Packaging designed for shelf → Need to pass shipping tests
Need to pass shipping tests → Protective layers for shipping
Protective layers for shipping → Perception of overpacking
Packaging Waste
Some retailers developing new eCommerce distribution model

Ship from existing store locations, closer to consumer, lower shipping costs

Products pulled from store shelves

Packaging is omni-channel
Innovation in Omni Channel Distribution

Typical eCommerce shipment requires taping lid, placing in zipped plastic bag, dunnage in outer shipper, and corrugate shipper.

Typical eCommerce shipment requires corrugate shipper.

2018 Dow Packaging Innovation Awards Diamond Winner

50% less plastic, cleaner dispensing, one-handed use, controlled dosing
P&G is working across all 5 focus areas to help ensure a sustainable future for eCommerce packaging.
Thank You

October 31, 2018
Brent M. Heist
heist.bm@pg.com