



# UNPACKING THE FUTURE

KEY TRENDS THAT ARE RESHAPING  
LABELS & PACKAGING IN 2020  
AND BEYOND





# THE NEW NORMAL

COVID-19 has turned the global economy upside down and sparked a catalyst for change – altering the way people live, work and shop with lasting consequences. As consumer preferences and consumer channels shifted dramatically, it also started to reshape existing megatrends, such as sustainability, automation, security and e-commerce.

Yet, while the printing industry may now be more volatile, many segments including labels and packaging have experienced growth. As global demand for manufacturing, distribution, and tracking and tracing of essential medical, food and household goods boomed, converters that were agile enough to keep up have thrived.

This highlights the exciting opportunities ahead for businesses that are embracing agile digital printing solutions alongside their traditional printing methods.

Do you have the right technologies and processes in place to leverage new opportunities emerging in this new normal?



## FLEXIBILITY IS THE FUTURE

Technological innovation, market-proven profitability and upgradeable systems are crucial to future-proofing your business.

In this eBook, we will explore seven key emerging trends in the label and packaging industry, drawn from our industry research.

You will learn about how HP Indigo can help you leverage these key industry drivers to ensure that your business can meet the challenges of today - and more importantly tomorrow.



GLOBAL EVENTS

# CATALYSTS FOR CHANGE

In an increasingly globalized world, the labels and packaging industry is being exposed to a wider variety of challenges, from financial crises to global pandemics – and PSPs and converters need to be ready to adapt. This was most recently tested by COVID-19. As essential businesses, label and packaging converters were faced with dramatic spikes in demand and, with no ability to forecast, converters often didn't know what they were printing from one day to the next.

Onshoring also increased, as customers that relied on global supply began to consider making their footprints more local by adding regional suppliers or replacing current cross-regional suppliers. Existing megatrends, such as widespread e-commerce, fast-moving consumer goods and sustainability have evolved rapidly. But it also opened up new opportunities for companies that were able to adapt to new demands. Digital printing enabled businesses to pivot - switching to products with high demand.

**IN A RECENT SURVEY OF PRINT SUPPLIERS, 77% OF RESPONDENTS RECOGNISED THAT COVID-19 PRESENTS AN OPPORTUNITY FOR INNOVATION.<sup>1</sup> THE CRISIS HAS HIGHLIGHTED THAT VERSATILITY, PRODUCTIVITY AND READINESS FOR CHANGE ARE THE BEST 'VACCINE' FOR THE FUTURE.**

Innovative Labelling Solutions is an industry-leading label solutions service provider that was able to pivot production to satisfy booming demands caused by COVID-19. "Because of the versatility of our Indigo presses, ILS was able to pivot and rapidly deliver products to meet the extreme demands for medical, nutraceutical, household, food and beverage labels and other packaging. We were able to do this with reduced staff on site because of the much simpler workflow and automation implemented over the last several years."

Jay Dollries, President CEO,  
Innovative Labelling Solutions  
(USA)



<sup>1</sup><https://quocirca.com/content/infographic-covid-19-accelerating-print-industry-transformation/>



## TREND 2

GET THERE, FASTER

# AGILE SUPPLY CHAIN

Product lifecycles are becoming shorter, customer preferences are changing faster, and there is more pressure than ever for brands to get their products on the shelves quicker and for converters to speed up the order-to-cash timeframe.

In the wake of COVID-19, it is clear that converters need to be able to print anything and be ready to switch quickly.

**UNLIKE TRADITIONAL METHODS, DIGITAL PRINTING PROVIDES BRANDS AND CONVERTERS WITH THE TOOLS TO RESPOND TO THE LATEST CUSTOMER TRENDS.**



### **TIGHTER LEAD-TIMES**

Our digital printing solutions enable faster time to market for brands and quicker turnarounds for converters. Just-in-time (JIT) printing, allows brands to produce exactly what the customer needs, when they need it.

### **GREATER COLOR CONSISTENCY**

Our digital technology is more consistent, providing reliable colour and quality output from one job to the next, thus reducing the need for additional press checks.

### **STREAMLINED WORKFLOW**

We offer the latest technology to allow you to optimize print operations, automate production and expand your offering to build the Factory of the Future.

### **CUSTOMIZATION & VERSIONING**

Our digital technology enables you to test products with specific demographics, version packages based on one-time events, and integrate track and trace on a per-pack basis.



GET E-SMART

# E-COMMERCE

As consumers increasingly turn to the internet for everything from specialty products to subscription services, the realm of e-commerce continues to grow exponentially. By 2023, the value of the global e-commerce market is expected to reach \$6.6 trillion.<sup>2</sup>

## ANIT-COUNTERFEIT

With the rise of e-commerce, counterfeiters are now able to infiltrate online marketplaces and social media streams too. We offer an innovative security shield that allows users to tailor-make their security solution with a virtually limitless combination of security elements, techniques, and overt and covert security levels.

## SUSTAINABILITY SUPPORT

Demand for direct shipping to the consumers' home means that e-commerce packaging specifically needs to strike a balance between ecological sustainability and product protection. HP Indigo can help brands meet their sustainability targets by printing on any substrate, producing quantities, improving recyclability and regeneration of packaging and labelling and utilizing safe inks.

## BRAND ENGAGEMENT

With HP Indigo digital printing technology, short-runs and versioning become cost-effective. This enables you to produce branded primary and secondary packaging with multiple SKUs that operate as a marketing platform; boosting emotional engagement between customers and brands through customized communications and promotions.

## TRACEABILITY

HP Indigo makes it easy to maintain product visibility throughout the whole supply chain through track-and-trace, using variable data and images.

The outbreak of COVID-19 accelerated what was already a fast-developing trend. Lockdowns of whole populations forced consumers to adopt new ways of confronting everyday tasks such as shopping, eating and exercising, thus shifting buying habits to online marketplaces.

Over the last decade e-commerce has increased its share of the retail sector at a steady rate of 1-1.5% per year. However, in the first few months of 2020, e-commerce grew by an additional 10% as COVID-19 forced consumers to rethink their shopping habits.



**THIS OPENS UP NEW OPPORTUNITIES FOR YOUR BUSINESS AS DEMAND GROWS FOR E-COMMERCE APPROVED PACKAGING THAT MEETS CUSTOMER REQUIREMENTS.**

<sup>2</sup> The Future of Sustainable E-Commerce Packaging to 2023, p.21

<sup>3</sup> Source: Bank of America, U.S. Department of Commerce, ShawSpring Research



## TREND 4

TAILOR-MADE SECURITY SOLUTIONS

# SAFETY & SECURITY

Trade in counterfeited and pirated goods is rising steadily. With hundreds of billions of dollars lost to counterfeit every year, companies face a significant challenge to protect the quality and authenticity of their products.

At HP Indigo, we offer security printing solutions that enable you to create an adaptive security shield to fit specific client needs.

**COMBINING HIGH-SPEED HARDWARE AND SOFTWARE TO CREATE MULTI-LAYERED PROTECTION, OUR DIGITAL PRESSES CAN HELP REDUCE SECURITY BREACHES THROUGH A VIRTUALLY LIMITLESS COMBINATION OF OVERT, COVERT AND FORENSIC SECURITY ELEMENTS.**



### TRACK AND TRACE

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A simple visible marker that can detect and pinpoint printed products anywhere in the supply chain, with each item authenticated each step of the way.



### INNOVATIVE PARTNERSHIPS

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We have longstanding alliances with trusted and credentialed global leaders in the security market including Agfa, HAIYAA and JURA to make it harder for counterfeiters to determine authenticating marks.



### RF-ACTIVE DEVICES

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Miniscule RF-active devices that are inserted into the printed product and monitored by RFID scanners.



### MICRO PRINTING

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Innovative security inks and cutting-edge imaging technology to create accurate microtexts, fine lines and dots that hide verification data.





## TREND 5

DIGITAL TRANSFORMATION

# AI & AUTOMATION

**INVESTING IN INNOVATIVE TECHNOLOGY, AUTOMATION AND TRAINING TODAY WILL BETTER EQUIP YOUR WORKFORCE TO MEET THE NEEDS OF CLIENTS OF THE FUTURE.**

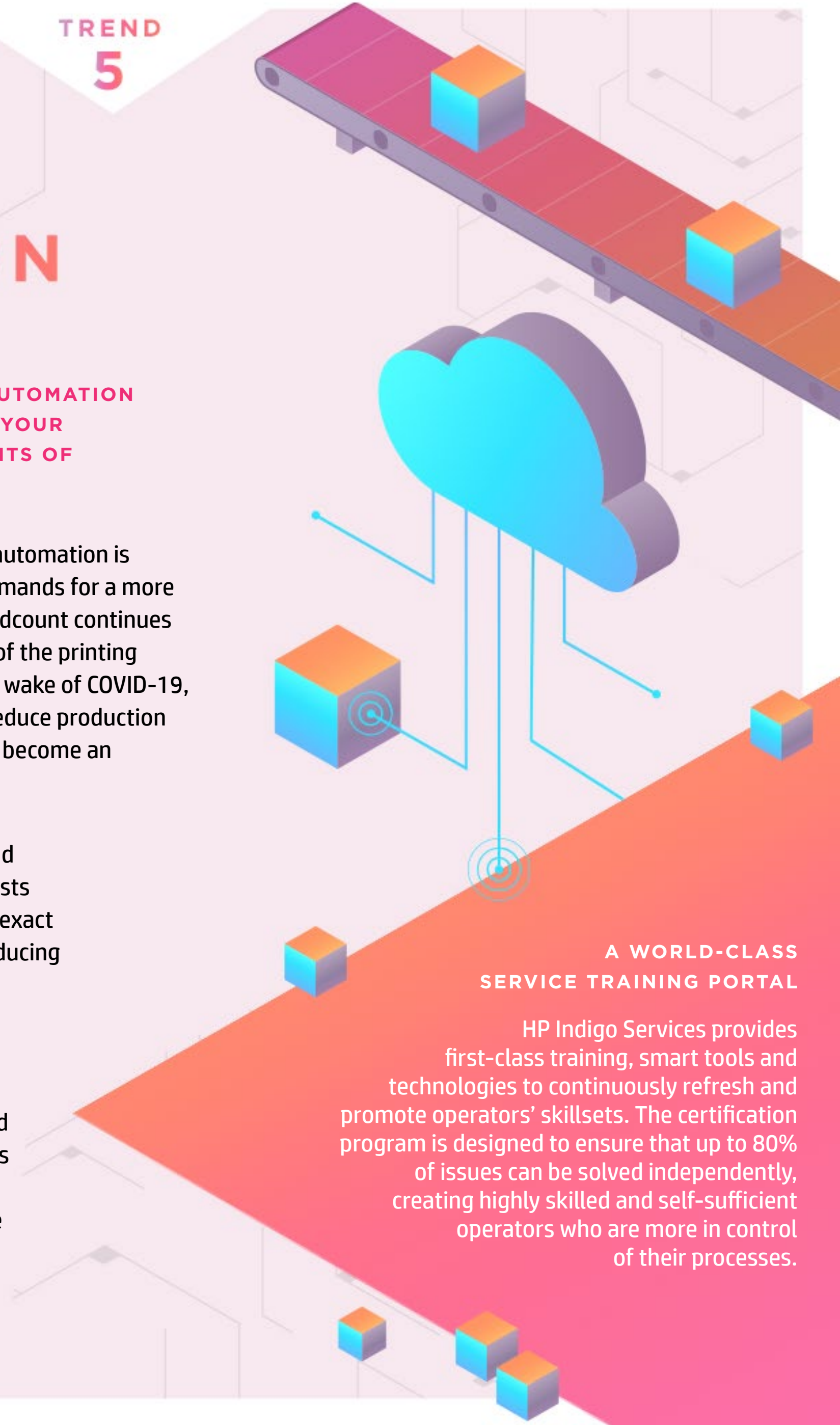
From self-driving cars to smart assistance, AI and automation is changing the rules and redefining industries. As demands for a more efficient supply chain increase and operational headcount continues to decrease, AI will play a crucial role in the future of the printing industry. This has become even more urgent in the wake of COVID-19, as businesses seek to optimize supply-chain and reduce production risk. The ability to control operations remotely will become an industry standard.

Tapping into the latest smart printing processes and automating workflow allows businesses to keep costs down and output up by enabling the production of exact quantities, processing more jobs in one day and reducing touch points. This then leads to better industry sustainability, energy usage and waste reduction.

The adoption of network-driven cloud-based solutions and the connection of diverse devices and interfaces in The Internet of Things also offers PSPs greater transparency across the supply chain, the centralization and streamlining of facilities and the digitization of quality control.

### A WORLD-CLASS SERVICE TRAINING PORTAL

HP Indigo Services provides first-class training, smart tools and technologies to continuously refresh and promote operators' skillsets. The certification program is designed to ensure that up to 80% of issues can be solved independently, creating highly skilled and self-sufficient operators who are more in control of their processes.





## TREND 6

KEEPING UP WITH LEGISLATION

# REGULATIONS

Frequent changes in regulations pose huge challenges for brands, forcing content on packaging and labelling to change with them. Companies operating globally need to contend with local regulations too, where each region or country must verify packaging compliance with local laws. This requires the creation of multiple SKUs for the brand to manage.

Other stipulations, such as food-safe ink requirements for food products, challenge traditional inkjet printers that are not able to offer this. With mounting pressure for brands to educate customers on product content - from potential health hazards to nutritional values such as salt content and allergens - frequent changes in packaging and labelling content are inevitable. Oversights and mistakes risk non-compliance, public trust and even consumer safety.

Inaccurate labeling could also put your company at risk of legal ramifications. The Federal Trade Commission has issued Green Guides to help brands ensure that the claims they are making are true and substantiated.

If your labels make any unqualified recycling claim based on this criteria, you're violating FTC guidelines, which can result in legal action and costly penalties.

### A DYNAMIC SOLUTION

For traditional printing systems, these complex and evolving regulations are costly since each new item requires the creation of a plate. This incurs further waste and set-up, and also slows down time-to-market.

With HP Indigo technology you can meet these regulatory changes easily, by enabling you to prepare products with different label requirements for different end users.

“86% of consumers expect food and beverage brands to actively help increase recycling of the packages they use for their<sup>4</sup> products. In fact, incomplete or inaccurate information can cause consumers to lose trust in your brand.”

David Roberge, Industrial Packaging

<sup>4</sup> <https://www.industrialpackaging.com/blog/why-your-product-needs-sustainable-labeling>





## TREND 7

SHRINK YOUR ECO-FOOTPRINT

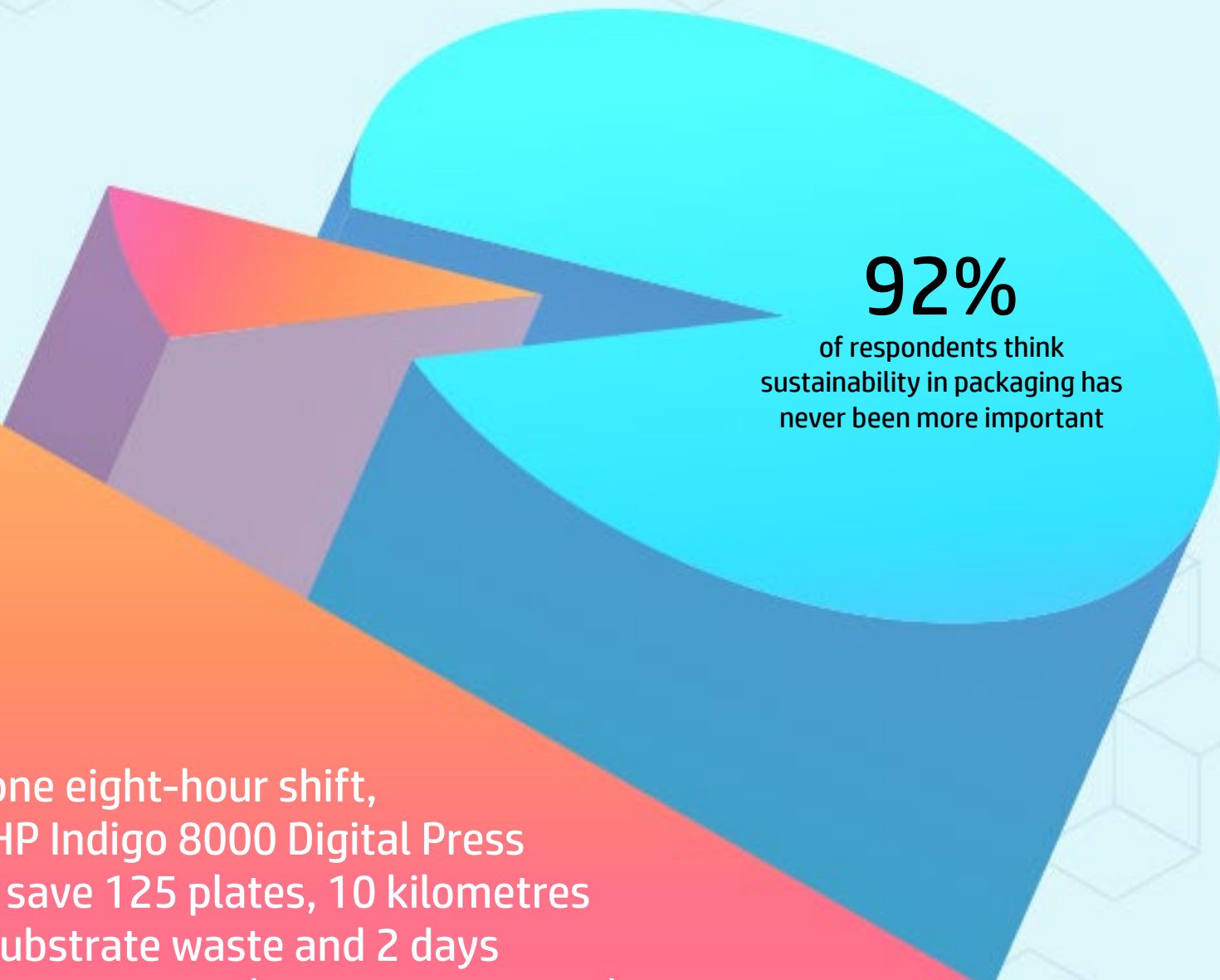
# SUSTAINABILITY

Sustainability has become a key motivator for a new generation of cleaner, greener consumers. Nearly 85% of packaging respondents to a recent study reported that their customers were requesting sustainable products, sustainable manufacturing processes, or both.<sup>5</sup>

### A SUSTAINABLE APPROACH TO PRINTING

Switching to a digital printing solution can help PSPs and brands practice a greener workflow.

### IMPORTANCE OF PACKAGING SUSTAINABILITY TO CUSTOMERS



**92%**

of respondents think  
sustainability in packaging has  
never been more important

“In one eight-hour shift, an HP Indigo 8000 Digital Press can save 125 plates, 10 kilometres of substrate waste and 2 days production time (compared to Flexo)”

Mark Arends, Managing Director, Interket Holland

### REDUCE WASTE

Unlike traditional printing methods, digital printing does not require the creation of plates and cylinders. ‘Just-in-time’ printing runs allow brands to order to demand, while soft-proofing eliminates the need for unnecessary printed proofs. This drastically reduces inventory waste – particularly in the face of regulatory changes

### REDUCE ENERGY EMISSIONS

We use the latest computing, printing and imaging technology to ensure our machines are energy efficient. Our digital presses have been independently audited as part of LCA studies and are shown to be significantly less environmentally damaging than traditional methods.

### RESPONSIBLE PRINTING

HP Indigo’s Electroinks have been certified for use on compostable packaging. Your HP Indigo press will also allow you to print on a wide range of responsibly sourced materials - our machines are compatible with over 1,500 media carrying environmental credentials.

### COMPATIBILITY WITH PLASTIC RECYCLING

HP Indigo is a certified member of CEFLEX (Circular Economy for Flexible Packaging). This allows you to print on single polymer flexible pouches, PET bottles and shrink sleeves.

<sup>5</sup> <https://www.fespa.com/en/news-media/press-releases/2018-print-census-reveals-strategic-responses-to-escalating-demand>



MAKING A SAFE  
**INVESTMENT**  
**IN YOUR**  
**FUTURE**

Throughout this eBook, we have explored what the “new normal” looks like and how your business will navigate it to maximize new opportunities.

As the world around us changes rapidly, a digital printing solution will evolve to meet your growing business needs, enabling you to leverage the latest technologies and techniques to ensure that your business is adequately future-proofed.

**IN AN INCREASINGLY DISRUPTIVE WORLD,  
WE CAN HELP YOUR COMPANY BECOME  
A DISRUPTOR.**

As the world leader in digital print, we provide converters with unmatched technological innovation, market-proven profitability and upgradeable systems to ensure that your business can meet the needs of your customers today - and more importantly tomorrow.

**LEARN MORE ABOUT HOW HP INDIGO CAN  
HELP FUTUREPROOF YOUR BUSINESS AT [HP.COM](http://HP.COM)**







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