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*Mike Ferrari of Ferrari Innovation Solutions, formerly of Procter & Gamble, explains how brands can grow their business and improve connections with consumers through digital printing.*



The success of a brand is no accident. Rock star brands may appear a magical overnight success. However, the journey to stardom requires several key elements to be created and sustained over time:

1. Relevancy
2. Engagement
3. Interaction

### Relevancy

Brands grow wildly when they keep pace with what's happening in the moment. Brands need to solve current and ever changing unmet needs of consumers. A brand success is not a one-time phenomenon, but a journey to perfection. Sitting on a one-time innovation can get old and stale. Coca-Cola does this with constant world-wide packaging campaigns, not changing the contents of their 125-year-old formula.

Worldwide Coca-Cola revenue growth has gone from US\$30.99 billion in 2009 to US\$46.5 billion in 2011 and is on track to exceed this in 2012. All this has occurred through marketing campaigns enabled through packaging. They have kept relevancy through the European football championship, Olympics, seasonality, religious holidays and Save the Polar Bear campaign for customization – including the creation of personalized Coca-Cola with your name on it achieving a one-to-one relationship with consumers through digitally printed shrink sleeves.

### Engagement and interaction

Consumers find themselves attracted and engaged to one or more of the Coca-Cola campaigns that also reach consumers through social media. The magic has been the connection of the virtual world with the real world of packaging to a higher level and emotional experience through videos.

Facebook pages have allowed consumers to interact and leave testimonials of their thoughts and feelings during these campaigns as they were directly connected with printed cans and shrink sleeve labels in hand.

Success at each of these key elements creates conversational marketing as the dialogue goes forward and backwards. This is what I have referred to as connecting the virtual world with the real world of packaging. Many companies are still learning and only exist in pushing content in the virtual world lacking the completion of the circuit from the consumer back to the virtual world.

### What CPCs need from package printing

If we break down these key brand success elements into actionable terms and ask ourselves how can these be achieved through package printing, the top needs enabling relevancy, engagement and interaction include:

1. Print quality
2. Agile supply chain
3. Lower carbon footprint

## **Print quality**

Package print quality is needed at two critical moments: the first moment of truth and the second moment of truth. Well-executed graphics that are consistent in color on shelf and with high resolution create a moment of interest while a shopper is racing down the retail aisle. Such standout graphics can create trial or purchase.

The second moment of truth becomes important during the time the package or product is in use. The same high level of print quality graphic appearance adds to a positive consumer experience and becomes part of the repurchase decision.

Driving purchase and repurchase power is how brands grow. Digital printing and specifically HP Indigo printing has been achieving this in numerous cases with brands such as Coca-Cola, Yankee Candle, Hobby Lobby, L'Oreal and others.

## **Agile supply chain**

Current analog supply chains are "buckling" under the weight of year-on-year SKU proliferation. The need for analogue to deliver color separations, print tools, color management, finger printing of presses and to allow for on-site press approvals is a burdensome, resource intensive and costly task.

This adds to compromise in the marketing program by reducing the number of changes possible on an annual basis. The current analog print supply chain simply cannot keep up to produce relevancy in the digital age of social media.

Digital package printing can, and is achieving this. But it requires CPCs to rethink not just the move to a digital printing press, but to think of revamping their supply chains to a digital workflow and logistics system handling to move products in a targeted way, more quickly and efficiently to be available for consumers.

Many CPCs now offer personalized products through the use of HP Indigo digital print workflows. These are part of the brand offerings through ecommerce sales that are financially making sense to produce a copy of one. Such personalized products and packages on the worldwide market today include Heineken (pictured, top), Kimberly Clark and Coca-Cola.

Digital print workflows allow 48-hour turn around, so that companies can order on Monday what they will use to pack on Wednesday. Such short inventory cycles mean true just-in-time delivery with no carrying costs involved. Remnant costs at the end-of-product-life can be dramatically reduced, and at times can be as high as 30 percent of total packaging spend.

## **Lower carbon footprint**

A digital workflow can reduce the environmental load in two areas:

1. Waste during the printing process
2. Remnants needing to be scrapped at the end-of-product-life

The waste stream of an analog press requires discarding print tools and hundreds of feet of waste during SKU changeovers. This compares to just 3-5 feet of scrap in a digital operation (given the right operational functionality). But the big story in inventory reduction is the remnant materials that either need to be recycled or sent to landfill or incineration. Less waste produced means less waste to find a suitable home for.

## **Conclusion**

It is now time for CPCs to rethink their current analog supply chains; they are slow and not keeping pace with the level of advances of the internet. Analog supply chains are costing marketing loss of connection with consumers in relevant and engaging ways.

Print should no longer be treated as a commodity to be sourced at the lowest unit cost since there are many other financial holistic factors to be considered. Digital package printing, when properly used can transform a brand to be irresistible to consumers and achieve rock star status.