A New Era of Printing Technology
Creates Sales and Marketing
Opportunities for E-Commerce
Companies in Europe
OVERVIEW

Inkjet printing solutions give manufacturers access to customized packaging that increases brand awareness, improves customer satisfaction, and boosts sales.

E-commerce is the fastest growing retail market segment in Europe. The Centre for Retail Research estimates that e-commerce sales are expected to reach €250 billion in 2017.

But with opportunity comes challenge, and the same is true in an online retail market. Competition is fierce, and customers are easily attracted by other offers. As a result, companies must find creative ways to attract customers and keep them satisfied.

In this white paper we take a look at the business dynamics at play in this e-commerce marketplace. We then review new sales and marketing opportunities that come from an unexpected place: the package that is used to ship the product.

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PART 1: THE ONLINE SELLING OPPORTUNITY

Ecommerce Europe reports that 57 percent of European Internet users shop online, but only 16 percent of small- to medium-sized businesses currently sell online. Though the results vary by country, there is plenty of opportunity for small- to medium-sized businesses to capture much more of the growing online marketplace.

Despite the relatively small number of businesses selling online, European consumers are increasingly buying online. The Centre for Retail Research breaks down European online monthly spending as follows:

<table>
<thead>
<tr>
<th>Country</th>
<th>Amount Spent Online Per Month</th>
<th>Equivalent to Approx.</th>
<th>Note: Pound Sterling and Swedish Krona converted into Euros June, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>€97</td>
<td>£70.78</td>
<td>€89.39</td>
</tr>
<tr>
<td>UK</td>
<td>£70.78</td>
<td>743.43kr</td>
<td>€79.47</td>
</tr>
<tr>
<td>Nordics</td>
<td>743.43kr</td>
<td>€73.39</td>
<td></td>
</tr>
<tr>
<td>Benlux</td>
<td>€73.39</td>
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</tr>
</tbody>
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This survey collected data on the amount of money people spend online per month. Germany spends the most at €96.67 per month with Benlux the lowest at €73.39 per month.

But to establish a place in this competitive market, these manufacturers must make sure that the ordering process—from the way the online ordering experience goes to the feeling customers have when they receive the product—supports a positive connection with the consumer.

A key resource in this effort to ensure customer delight turns out to be the package in which a product is shipped.

In an e-commerce relationship, the moment customers engage with the package is often the first physical connection they have with a company. It’s an experience that the research firm Package Insight calls “unboxing,” and it is critical to supporting positive customer relationships. As Package Insight notes, “A good deal will sell your product once, but a good feeling will create a long-term customer.”
The 2016 E-Commerce Packaging Preference Survey that was commissioned by Shorr Packaging echoed the importance of a positive “unboxing” experience. This research showed how buyers felt about the packaging of the products they purchased online. More than half of the respondents indicated that customized, branded packaging made a product more valuable. The same survey found that the majority of customers were more likely to buy again because of customized packaging.

To create that great feeling—and keep your customers coming back for more—a package now needs to go beyond the functional brown box and include highly customized elements that create an experience that engages and delights the customer.

% OF PEOPLE THAT WOULD PURCHASE AGAIN based on customized packaging according to their monthly spend

PART 2: A NEW ERA OF TECHNOLOGY TRANSFORMS PACKAGING

The good news is that new printing technology available today can make that type of packaging possible. Such technology lets you easily customize the box in which your product is shipped, enabling manufacturers to go far beyond the basic brown box to create a personalized experience for consumers—one that includes not only order and product information but also messages, images, and offers targeted directly toward the recipient.

In the past, manufacturers relied on intermediaries, such as label converters and packaging suppliers, who were often using older analog printing machines. But those types of presses could not accommodate the demand for customization, and often required the manufacturer to provide long lead times and order large and costly volumes of corrugated boxes.

Also, once they were produced, those boxes had to be stored, inventoried, and managed. When there was a change to the package—as there often was—the excess packaging ended up as expensive scrap.

Transforming Packaging Production

Today, digital printing solutions are being used to transform the package production process. These new solutions can replace
older package production processes to quickly and efficiently create highly personalized corrugated packaging.

This new era of package production is driven by inkjet technology. These single-pass digital color inkjet solutions—such as those powered by Memjet inkjet technology—print extremely fast, firing millions of drops of ink per second to produce exceptional quality at a low cost.

The printheads remain rigid over the package, and can be flexibly assembled to create various widths and system speeds depending on the type of packaging needed. A plain corrugated package has to pass under the fixed printheads only once to lay down all the colors and details required.

PART 3: PRINTING IN-HOUSE OR THROUGH A SUPPLIER? INKJET GIVES YOU THE CHOICE

The ease of use and flexibility of these next-generation printing systems mean that manufacturers can choose to either produce their own packaging as part of their production process or work directly with a packaging supplier using an inkjet-powered solution.

Manufacturers who are interested in using these new-era printing solutions in-house can easily integrate them directly into any production process. Full-color digital packaging printers are easy to set up, and because they require only minimal space, they can fit into even a small operation. The solutions are easy to operate, so there is no need to hire additional employees.

Once the printing solutions are up and running, manufacturers can immediately start producing customized boxes whenever needed. They need to buy only one style of corrugated box and customize it based on the customer, the order, buying preferences, the season, or the occasion—whatever will help to foster a positive connection that will keep customers coming back.
PART 4: THE POWER OF CUSTOMIZED PACKAGING

Panhuijsen Packaging is a company with a long history of providing wholesale packaging materials and related equipment to customers in the Benelux region of Europe. This packaging expert wanted to capture a new business opportunity: servicing small-sized e-commerce companies requiring about one hundred packages per year.

To meet these goals, the company adopted the Xante Excelagraphix wide-format printing solution. This cost-effective solution provided the resources the company needed to open up a new line of business producing small quantities of full-color, customized packaging with a high level of customization. Elements such as logos, text, unique serial numbers, and even photos are easily added to packages. The excellent color quality of the Xante Excelagraphix means that bright colors can easily be achieved—even on brown corrugated board.

The Xante Excelagraphix has also enabled Panhuijsen Packaging to achieve much greater efficiencies in its operation. Packaging is now produced on demand, which means the need for stock inventory has been reduced. And because small quantities can now be produced in full color, the amount of waste that comes from producing large quantities of generic packaging is also reduced.

Since the printer was introduced, Panhuijsen has opened up new business opportunities. The company now offers its customers the ability to customize and order their packaging online, so orders can be taken twenty-four hours a day and easily produced and shipped to the customers.

Michiel Van Dijk, owner of Panhuijsen Packaging, says, “The Xante Excelagraphix has enabled us to expand our business by giving us a fast, cost-effective way to produce colorful, personalized packaging in very small quantities. No other company could offer the speed and quality the Excelagraphix provides.”
PART 5: PACKAGING AND THE FUTURE OF E-COMMERCE

As we have seen, there has been tremendous growth in the e-commerce marketplace. The question now is, "What can today’s manufacturers do to ensure their businesses are part of that growth?"

To start, they need to ensure everything they do supports their relationships with their customers—especially the packaging.

Today’s digital printing technology gives manufacturers the flexibility to control their packaging the way they control the rest of their businesses. Whether they produce it themselves or work with a packaging provider, manufacturers are now able to dynamically create, adapt, and produce the personalized packaging they want, exactly when they need it.

The opportunity for growth is unlimited. That’s the power of today’s digital inkjet printing technology.

We invite you to learn how these solutions can impact your business. Visit us www.memjet.com or email us at info@memjet.com