

## The academic expert: “Sustainable packaging management is increasingly important as e-commerce grows”



*E-commerce continues to grow and 2018 was another successful year. To look at Sweden, as one example, the e-commerce sales amounted to 77 billion SEK in sales, an increase of almost 10 billion SEK compared to the previous year. But increasing e-commerce also means that more and more goods must be shipped to, stored in and forwarded from different warehouses and distribution centers, which also entails large quantities of waste in the form of packaging material. Daniel Hellström, Senior lecturer in the field of packaging logistics at Lund University in Sweden, gives his views on how to accomplish a more sustainable distribution process.*

### **Packaging - a corporate resource**

Daniel Hellström conducts research in two fields. One part is to find a sustainable packaging design that is economical and benefits people as well as the environment. In that area, there is great potential for improvement for the trade and industry and for the society. The second part deals with logistics flows, specifically within retail, with emphasis on last mile distribution, return transports and various consumer aspects in e-commerce.

Significant focus in his research is on finding ways to achieve circularity. It is not primarily about removing packaging material from the "cycle", but rather about how to recycle and reuse it. Mr. Hellström explains:

- Here are two flows to take into account. We have the internal flow - in production plants, distribution centers and warehouses - where the companies themselves control the material they use and to what degree it is reused. The second flow revolves around the customers' handling of the packaging material, which the companies themselves have no control over. A growing number of companies are now beginning to understand the value of increased circulation in the internal flow - that it is a resource that can be recovered through recycling.

## A bright future for cardboard

One of the materials that has been used extensively as packaging material for a long time is corrugated cardboard. Mr. Hellström considers it an excellent material that has great potential to be used for future packaging:

- Personally, I believe very strongly in corrugated cardboard. Not only when it comes to packaging for consumers, but also in the industry for secondary and tertiary packaging. Here, I would like to highlight the initiatives taken by IKEA, among others, where wooden pallets have been almost completely replaced by pallets in corrugated cardboard. The cardboard can also be adapted to the product it is used for. Thereby, specific solutions can be applied for respective product, which also leads to a higher filling rate for transports. Furthermore, another advantage is that cardboard is completely degradable.

## Increased recycling through standardized packaging

Today, e-commerce companies do not focus particularly on packaging and Mr. Hellström advocates that more people must take greater responsibility:

- To increase the recycling rate, more standardized packaging materials would make a big difference. In fact, it is less significant if the material is fossil free or not. First and foremost, it is important that the packaging material can be used many times, for different purposes. In that way, they stay in the same flow and can be used for new packaging or used as raw material for new products. I see an opportunity for different players in the waste industry to ally themselves with packaging suppliers to find ways to systematically use materials that are suitable for different types of waste solutions.

Mr. Hellström emphasizes that many companies, through relatively simple decisions, can both make an impact on the environment and at the same time save money:

- More and more companies will take initiatives and start to act for material uniformity in their packaging systems. Especially, when they realize that eventually, it can also mean reduced costs. As companies get their eyes on the profits that are likely to come from looking at packaging as part of a system, this will become more relevant to them.



## **More views on the choice of packaging**

At the same time, there are other aspects to consider. Many companies do not have full control over the entire chain of different packaging flows. One subcontractor can use one type of packaging material, while the other uses a completely different one.

Companies need to gather expertise in both packaging and logistics as well as sustainability and give them opportunity to review existing procedures. Mr. Hellström is convinced that more people need to broaden their knowledge and insights. - The truth is that the vast majority of the companies have never even considered what can be gained by using more uniform packaging material.

## **Packaging disposal – part of the customer experience**

In pace with an increasing number of products being shipped, it is not only the product packaging, but also the outer delivery packaging that we must dispose of. Therefore, for the consumer, the disposal of the packaging materials will increasingly become a part of the customer experience and a service that companies provide.

- If your customer journey ends with a visit at a recycling center, it will influence the overall experience of the purchase. The consumers' views on services have changed radically only in the last decade. For example, we have conducted studies on the parcel pickup machines used in certain types of e-commerce trade and we noticed that the opportunity to dispose of the packaging directly on site was high in demand among the customers. There is great potential for development and over time, e-commerce companies will find more and new ways to offer packaging disposal as a service to meet consumer expectations.

Do you want to know more about how to turn your packaging material into a resource? Contact an expert at [Orwak](#) and we will help you improve and streamline your waste management and recycling!