

E-COMMERCE IS A GROWING ECONOMIC SEGMENT



E-commerce experienced a 14.4% growth rate in 2018 in the U.S., and is expected to maintain annual growth rates of approximately **13% through 2023**¹, and that was before the COVID-19 pandemic increased its demand.

In fact, over half (56%) of Americans say they have increased the frequency of their deliveries from online purchases since the beginning of COVID-19.²

As more products are shipped via e-commerce, brands continue to look for ways to...





OPTIMIZE SHIPPING

REDUCE COSTS



...all while offering consumers a positive experience.

RIGID VS FLEXIBLE PACKAGING

56%



To achieve these goals, more brands and e-commerce providers are using flexible packaging as the primary package to withstand rough handling and limit leaks, while the e-commerce delivery pack also reduces the amount of packaging material and space utilized.



DID YOU KNOW...that products in an e-commerce environment are handled at least **3x more often** than in a traditional retail channel?

A LAYERED APPROACH



PRIMARY PACKAGING

The package/material that makes immediate contact with the product inside.

SECONDARY PACKAGING

A carton in which the primary product is contained, sometimes used for e-commerce shipping.

TERTIARY PACKAGING

An additional overbox/corrugated case that holds another corrugated case and is used as extra protection in e-commerce applications.

FLEXIBLE FORMATS = SHIPPING SAVINGS

Packages are billed and charged by the greater of the following weights:

DIMENSIONAL WEIGHT L x W x H / Carrier Divisor



ACTUAL WEIGHT Based on actual product weight

Each format will be billed according to the dimensional weight with the flexible mailer achieving ~\$4 COST SAVINGS.

CASE IN POINT

ITEM DESCRIPTION	DIMENSIONAL WEIGHT (Ibs.)	ACTUAL WEIGHT (lbs.)	FLAT RATE (Carriers)	UPS (STD)
SHOE BOX WITH FLEXIBLE E-COMMERCE MAILER	$\left(\frac{15 \times 11 \times 6 \text{ inches}}{139}\right)$ 8 lbs.*	3 lbs.	\$19.95	\$14.70
SHOE BOX WITH E-COMMERCE OVERBOX	$\left(\frac{16 \times 13 \times 6 \text{ inches}}{139}\right)$ 9 lbs.*	3 lbs.	\$23.95	\$17.14



PRO TIP:

Target a weight closest to a whole number since fractional weights are rounded up.

FACT OR FICTION?



FICTION:

Flexible mailers can't be recycled.

Check out local store-drop-off programs and look for How2Recycle labels on packages.



FICTION:

Recycling is the only sustainability factor that matters.

Water consumption, GHG emissions, fossil fuel, and source reduction are all important sustainability attributes, and flexible packaging gets exemplary marks for each.





FACT:

Flexible packaging is an ideal solution for e-commerce applications.

Brand owners/retailers can achieve lightweight, durable, and cost-effective e-commerce shipping by choosing flexible packaging.



For more information, visit $\underline{\textit{flexpack.org}}$ and download the "Sustainability Life Cycle and Economic Impacts of Flexible Packaging in E-commerce" report.

*Using the 2019 carrier divisor: 139.

- ¹ Lipsman, Andrew. <u>"US Ecommerce 2019."</u> EMarketer, 27 June 2019
- ² G&S Reshaping the Future Report, January 2021