Efficient Consumer Response Australasia

Category Manager / Buyers Guide to Shelf Friendly Packaging

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SHELF FRIENDLY PACKAGING

Shelf friendly packaging (SFP) is the term used for transit packaging which can be used to display products on a shelf without removing the product from the container.

> **Drivers**
>
> **SFP supports improved operational efficiencies at store level, including:**
>
> - **Faster stocking of shelves**
> - **Improved code rotation**
> - **Ease of product identification**
>
> **leading to better on-shelf availability and increased sales and most importantly an enhanced shopping experience.**

GUIDING PRINCIPLES

The following principles were developed by ECR Europe and adopted by ECRA, they are good start to discussion with trade partners on the migration of product to SFP formats.

> **Guiding Principles**
>
> ➡ **Always of Value to the Shopper, Retailer and Manufacturer**
>
> ➡ **Compliance with Environmental Legislation and Public Policy Concerns**
>
> ➡ **Avoid Fragmentation and Complexity**
>
> ➡ **Maintain Brand Identity**
>
> ➡ **Measure Implementation**
>
> ➡ **Requirement of Long-term Commitment from Retailers and Manufacturers**
>
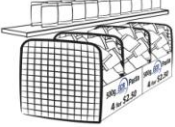> ➡ **Compliance with total Supply Chain Efficiency Principles**
>
> *Source:*
> *Shelf Ready Packaging (RRP) Addressing the Challenge: a comprehensive guide for collaborative approach, 2006.* http://www.ecr-all.org

Packaging Options

➡ Replenishment Ready
➡ Shelf Ready
➡ Display Ready
➡ Infrastructure / Hardware
➡ Not Ready

PACKAGING OPTIONS

The following section provides basic information on the types of packaging available and key functional design guidelines and principles.

Option	Description	Examples	Qualifiers	Suitable For
Replenishment Ready (Easy Open)	Arrives 'ready'	• Load device • Hang cells	• Replenishment speed increased • Secondary packaging not placed onto shelf but may aid in faster replenishment • Minimum off shelf waste	Medium, loose, bulky goods.
Shelf Ready	Case to shelf in one movement.	• Tray & shrink • Machine erect wrap around • Regular slotted carton • Tray & hood	• Efficient and effective replenishment. • Secondary packaging used on shelf. • Removal and disposal of secondary packaging from shelf.	Small to medium size pack sizes.
Display Ready	Stand alone display units.	• Fully formed display, prepared off site.	• Product in display format – off location. • Low cost replenishment. • Secondary/tertiary packaging may be part of the display. • Removal and disposal of display module. • Process on costs (production, transport & reverse logistics) • Must be high velocity to demand the space/cube.	Promotional stock, gondola end, off location display, dollies.
Infrastructure / Hardware	Product displayed in permanent or returnable units.	• Fridges, Bins, Hoppers, Crates	• Simple effective replenishment. • Limit the requirement for secondary/ tertiary packaging. • Retailer/supplier has permanent infrastructure/ hardware. • Hygiene requirements	Fruit, vegetables, milk.
Not Ready	Product packed directly onto shelf.	Trade unit Shipper Shelves	• Utilises space cube well. • No change to replenishment practices. • Secondary packaging disposed post replenishment. • Decanted single packs to shelf. • No off shelf waste post shop.	Large, bulky goods. Small displays

The Five Easies

➡ **Easy to Identify**
➡ **Easy to Open**
➡ **Easy to Shelf**
➡ **Easy to Shop**
➡ **Easy to Dispose**

THE FIVE EASIES

The five easies underpin the implementation of all forms of SFP and allow trading partners a framework for open dialogue to avoid prescribed solutions or technical specifications.

Easy to Identify Assists the choice of the correct product and rotation of stock through the supply chain with particular emphasis on the distribution centre, back of store and shelf replenishment processes. Packaging should clearly communicate what's inside and assist store personal identify product in back rooms. This communication should be visible on more than one side to maximise sight lines and identification. Packaging should be easily identified.	
Easy to Open The packaging should facilitate easier and quicker replenishment processes. It should allow for easy opening in one or two steps preferably without the aid of tools such as knives. The opening process should be intuitive: store personnel should be able to see how to open, how to use and how to dispose.	
Easy to Shelf SFP should enable quicker, faster and simpler replenishment processes than decanting individual product. Without this requirement being met, the solution is not fit for purpose. The packaging must be strong enough to maintain the integrity units through the supply chain.	
Easy to Shop SFP should not create any barriers to purchase. The shopper should be able to easily select and return the product. It should allow the shopper to easily identify the brand, product and variant. Colours and on pack messages should assist shoppers in fast identification and product selection	
Easy to Dispose Packaging materials chosen should be recyclable or re-usable and appropriate logos should be displayed on the base panel. For products with multiple packaging type materials should be easily separated for recycling. Packaging should be easy to stack and remove from store aisles	

CARTON CONFIGURATION and DESIGN

One of the most difficult elements moving to SFP is determining the carton configuration and design. Focus should be placed on developing a carton configuration and design that will assist in delivering improved shelf availability.

There is no 'magic formula' to determine the carton configuration; ultimately it is a combination of drivers, informed through an open dialogue with trade partners that will determine the dimensions and number of units.

Packaging design should allow for flexible merchandising options.
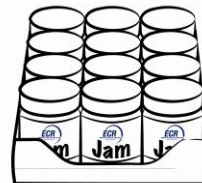
Deep or adjacent

Stackable

Long leading

Short Leading

THE GOOD AND BAD

Good	Bad

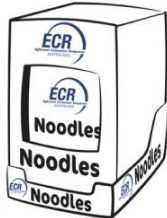<table>
<tr>
<td>Identify</td>
<td>

Example: Identification clear and concise- brand, variant and size.

Example: Consumer unit information clearly visible.

Example: Consumer unit is visible through the outer packaging.

Example: Easy to identify throughout the supply chain.

</td>
<td>

Example: Difficult to identify, hand writing over lip, additional code information present.
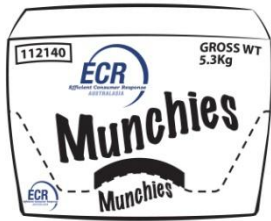
Example: Consumer unit information masked by front lip.

</td>
</tr>
</table>

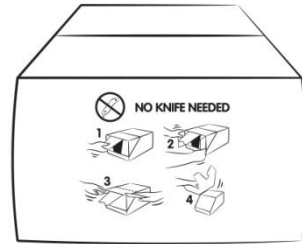| *Good*	**Bad**

Open	*Example: Opening location easy to identify, intuitive.*	*Example: Too many instructions – difficult to understand.*
	Example: Clear instructions and perforations tear cleanly.	*Example: Perforations leave untidy edge.*
		Example: Opening location is covered by tape.
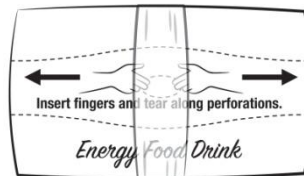
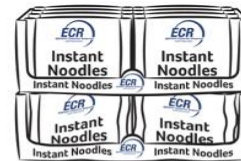| *Good*	Bad

Shelf

Example: Movement to shelf easy and safe.

Example: Movement to shelf difficult and unstable.

Example: Product not displayed at its best on shelf either damaged by weight of second unit or perforations unsightly.

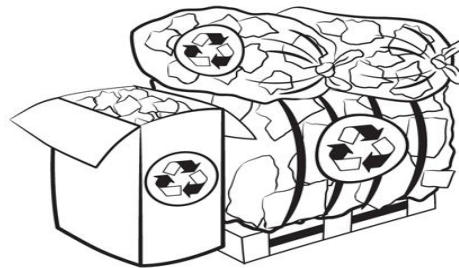|	*Good*	**Bad**
Shop	Example: Easy to remove and replace the consumer unit.	Example: Difficult to remove and replace the consumer unit, shelf above inhibits.
	Example: Easy to remove and replace the consumer unit	Example: Difficult to remove and replace the consumer unit, side flanges inhibit.
	Example: Easy to remove and replace the consumer unit	Example: Difficult to remove and remove
	Example: Shopper can easily identify product, front panel facing upright.	Example: Side panel visible, difficult for shopper to identify.
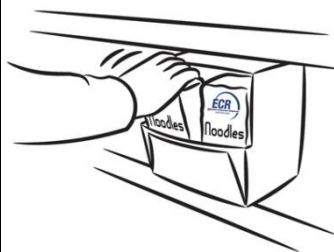
Dispose

Example: Cartons broken down and easily stacked.

Example: Plastic crates nest and stack for return.
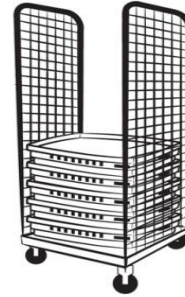
Example: Materials separated easily for recycling.

Shelf Friendly Packaging Checklist

To download the checklist visit - http://www.ecraustralasia.org.au/toolkits/

SHELF READY PACKAGING - CHECKLIST

PURPOSE OF DOCUMENT:
* The ECRA SRP Toolkit provides a framework for developing SRP solutions that are industry compliant.
* The check list can be used by retailers and suppliers in the development of solutions, product trials, final approvals.

DATE	[DATE]
PACKAGING BEING ASSESSED AND PROPOSED CONFIGURATION:	[Consumer-Unit Description and Proposed Configuration i.e. 2 facings x 6 deep]
PROPOSED INTRODUCTION DATE:	[TIME]

SHELF READY PACKAGING	N/A	COMPLIANT	NON COMPLIANT	COMMENTS
ORDER MULTIPLE				
Pack size is agreed and meets replenishment requirements				
Aim for a minimum of 2 cases per shelf				
Trade pack fits majority of store planograms				
Unit count has been checked - target 1 touch				
Trade pack can be utilised off location				
EASY TO IDENTIFY				
Clearly printed brand, product and variant on at least 4 sides.				
Product description and unit of measure clearly visible				
GS1 and Retail specific specifications are met, including bar codes on trade unit.				
Colour and branding maximises visual impact.				
Best before and use by dates clear and legible.				
Legal, warning & important information displayed on trade pack				
Easy to identify at back of store				
EASY TO OPEN				
Opening instructions, simple and clear.				
Opening points quick to locate e.g. finger holes for perforations				
Opening process is easy and intuitive				
No tape covering perforations				
Perforations tear cleanly, lip presentation clean				
Carton cutters not required to open				
Fit for purpose, does not buckle when handled and requires 1 person only.				
EASY TO SHELVE				
Easily transferrable to shelf - in one step				
SRP is stable during shelf loading - transfers easily with no buckling.				
Number of facings suitable for product turnover.				
Case fits 2 deep to allow optimal rotation and shelf presentation				
Product displayed on multiple facings - flexibility				
Trade unit weight confirms to specification (<12KG)				
EASY TO SHOP				
For trays - lip height does not conceal consumer unit.				
Shopper can remove and replace product easily (check in-store)				
Product description, variant, size and product clearly visible.				
Appearance, neat and presentable. Colour and branding maximise visual impact. Perforations clean and neat.				
EASY TO DISPOSE				
No excess / unwanted packaging				
Easy to fold and dispose				
Packaging materials seperates easily for recycling purposes.				
Recycling logos printed on trade pack				
COMPLETE DOCUMENTATION				
Panogram updated				
Transit trial successful				
Sample sent to retailers and approved.				
RETAIL / SUPPLY SIGN-OFF TO PROCEED				
Comment				

ADDITIONAL INFORMATION

ECR Australasia
    ECRA Retail Ready Packaging Toolkit.
    www.ecrasutralasia.org.au

ECR Europe
    ECR Europe SRP Bluebook due in December 2006/January 2007
    www.ecrnet.org