The role of Communication, Environmental Sustainability, and Innovation in Packaging Strategy

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Abstract: This research purpose is to generate knowledge about locally produced companies packaging strategies related to communication, environmental sustainability, and innovation. Additionally, it studies how the areas mentioned can provide companies with a competitive advantage. Case studies have been conducted on Swedish brand owners in the consumable market, evolved from literature studies. The case companies value genuineness in their communication strategy and precisely when connected to the location, focusing on specific attributes that communicate stories about the brand related to its origin. Packaging materials used, so it correlates with how the company wants to be perceived by the consumer. All companies incorporate some form of an environmentally sustainable strategy. The companies project exclusivity through shape choice, material use, location and heritage profiling, retail location, and the usability of the packaging, which also provides a competitive advantage for the companies. The study will aid new and established corporations in missing a dedicated packaging strategy related to the categories discussed. Instead of investing time and resources in dedicated research, this study may help companies gain further insight by providing information on how established and newly formed companies already navigate their packaging strategy regarding communication, environmental sustainability, and innovation. As previous literature has not explored the researched area, this study has contributed to packaging information and served as a portal to brand owners’ decisions regarding the categories. The study aimed to provide information about the packaging strategy of brand owners. However, it does not take into inconsideration any potential financial gain. The study was not able to be verified by repetition. The study is limited to three brand owners related to consumer packaging.

Keywords: Packaging strategy, Environmental sustainability, Communication, Packaging material, Usability,

1 Introduction

Packaging contains the consumer product and provides an additional motive for a purchase (Hellström and Nilsson et al., 2011). The packaging also serves as a “silent salesman”, according to Wells et al. (2007), stating that packaging considered one of the essential carriers when communicating the brand message directly to the targeted consumer. Another function is to display and promote the end product in stores by attracting attention and creating a positive impression, leading to the purchase of the product in a highly competitive environment (Rundh, 2005). The packaging is the sole customer interaction available to the brand owners. Pousette et al. (2014) argue that brand owners and companies interact heavily with their consumer product daily. Packaging designers focused on balancing the needs for product protection, material use efficiency, and the packaging materials impact on the environment from cradle to cradle in a supply chain. Quality is the main element of purchasing decisions (Mohammadi et al., 2015) since packaging serves as an extrinsic cue for product quality by indicating to the consumer if it is justifiable to pay a premium price (Grunert et al. 2004). A holistic and systematic view on the packaging strategy regarding innovation, environmental sustainability and communication. A premium brand that wishes to convey exclusiveness should focus not only on the product but also on the packaging. Therefore, it is vital to study how premium brand owners tailor their packaging strategy concerning innovation, environmental sustainability and

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communication, and competitive advantage. The purpose of this research is to generate valuable knowledge about how premium consumable companies’ packaging strategy relates to communication, environmental sustainability and innovation. Two research questions investigated in this paper. First, What is the premium packaging strategy of premium brand owners regarding communication, environmental sustainability and innovation? And second, How can packaging deliver a competitive advantage using innovation, communication and environmental sustainability? Faccio et al. (2015) state that the packaging strategy definition has not thoroughly studied, and there are scarcely low contributions explicitly focused on this area. The study pursues generating knowledge in premium brand owners, prioritising strategy elements, and highlighting critical areas that are most important to each specific company and provided insight into previous unresearched areas of how companies create a competitive advantage using their packaging strategy.

2 Theoretical Framework

Premium products intend to generate higher quality and price perceptions through additional attributes and selective distribution (Quelch, 1987). Mohammadi et al. (2015) state that quality is the main element of purchasing decisions, whether product quality or quality of packaging. Based on the notion that packaging serves as an extrinsic cue for product quality, indicating to the consumer if it is justifiable to pay a premium price (Grunert et al., 2004). Packaging associates the ideas of a specific product with quality that remains with consumers (Gonzalez et al., 2007).

2.1 Packaging Strategy

Harckham (1989) states that a strategy is a plan to reach specific objectives or results. Alternatively, as defined by Porter (1996), strategy is creating a unique and valuable position, involving activities that are different from those of the rivals. A packaging strategy needs to reach the company’s vision. According to Harckham (1989), a packaging strategy gives a holistic view and makes it easier to combine all packaging-related functions, impacting the overall performance. If a company chooses to change its brand image and target a new segment of consumers, it must also change the packaging strategy.

Packaging needs to fulfill several functions as suggested by previous research: the logistics function, the marketing function, and in providing convenience in handling and storing the product (Prendergast and Pitt, 1996). It is evident in the marketing literature that packaging is playing a vital role as a marketing tool in many market areas by protection, promotion and user convenience. Rundh (2005) concluded that even a tiny investment in packaging derives a significant gain in sales, which should account for informing the business strategy. It is vital to understand customers’ needs and wants when the inter-functional teams plan the innovation strategy (Vernuccio et al. 2010). Rundh (2005) argues that packaging improves sales as it is one of the key components that deliver a commercial advantage in the competitive arena of fast-moving consumer goods. Kuvykaite et al. (2009) argue that the package stimulates impulsive buying behaviour, resulting in increasing market share and reducing promotional costs.

2.2 Competitive Advantage

Rundh (2005) argues that as long as the firm adopts a competitive strategy that employs resources and capabilities superior to its competitors, it should be possible to form and sustain a competitive advantage. Moreover, sustaining a competitive advantage depends on various aspects, according to Rundh (2005), such as durability (product innovation, product brand and cost of raw material) and transferability (transfer of knowledge or technology). Consequently, a continuous search for a competitive advantage has intensified innovation in the packaging (Vernuccio et al. 2010). Rundh (2005) argues that innovation in packaging is a crucial strategy for remaining competitive and surviving in the global market. Previous literature proposes that packaging innovation can be a value-adding tool to the product. Technology plays a significant
part in the novelty of packaging. Mohammadi et al. (2015) state that the role of technology in packaging is to meet consumers needs and requirements. Therefore, highly selected packaging by consumers is those with newer technologies (Esmaeilpour et al. 2010).

2.3 Packaging Innovation & Usability

Innovation is the production or adoption, recognition, and exploitation of a value-added novelty in economic and social spheres such as renewal and enlargement of products, services, and markets, development of new methods of production and establishment of new management systems (Crossan and Apaydin. 2010). Qualities such as openness that make handling the product easier should consider the size of the product and the instructions for opening the product. In the international standard ISO 9241-11 (2018), which is concerned with ergonomics of human-system interaction, the definition of usability described as “the extent to which a system, product or service can be used by specified users to achieve specific goals with effectiveness, efficiency and satisfaction in a specified context of use. Vernuccio et al. (2010) has determined the dimensions of marketing-led packaging innovation. Accordingly, it is concerned with the practical, ideal, emotional and critical values that innovative packaging can deliver to users of the packaged offering. In the practical dimension, it is clear that the functional value includes re-sealability and easy to handle work as stimulating forces for use and future use of a product.

2.4 Packaging Material & Environmental sustainability

Packaging design can have a noticeable effect on the environment. Vernuccio et al. (2010) highlight the importance of space-saving as a tool to optimise load saturation and reduce the number of delivery vehicles required and shipments by air or rail. According to Wakeland et al. (2012), transportation is the most significant contributor to global warming in the developed countries. Mensitieri et al. (2011) investigate packaging materials from renewable resources. They conclude that the broader use of biopolymers would lower the environmental impact than polymers from petrochemical sources. Related, van Velzen (2019) discusses opportunities to prolong the shelf life of a consumable product and concludes that making the right choices and degradation may stop and triple the shelf life of a product. The study references the regulatory framework from the Swedish National Food Agency (2019), the supervising authority for issues relating to food, protecting consumers interests and setting regulations to uphold quality. The Swedish Environmental Protection Agency (2014) has provided a study regarding nudging about environmental sustainability. The study provides insights into behavioural science to promote sustainable behaviour among the public. Pantamera (2019) is a Swedish company responsible for depositing recyclable PET bottles and metal cans. The study uses statistics from their database related to plastic recycling. Keep Sweden Tidy Foundation (2019) is a nonprofit organisation aiming to combat litter and promote recycling. The organisation has a vast database of facts regarding littering and plastic waste. Lagarón et al. (2011) describe packaging material required to meet to be a valid form of packaging, stating that companies need to fulfil high standards. Composite materials positively affect environmental sustainability since they do not use the same amount of natural gas or toxic chemicals in production as pure oiled-based plastics (Ashori, 2011). However, according to Mitchell et al. (2014), recycling composites can prove difficult, as there are limited approaches. Vernuccio et al. (2010) argue that the primary function of packaging is to safeguard the product’s thermal, physical, and chemical-bacteriological integrity. Thus, the choice of materials protects and communicates and provides information about the product. The research has crystallised three reoccurring materials used within the case companies packaging strategy: glass, aluminium and plastics. Glass containers used in food packaging are often surface-coated to provide lubrication in the production line to eliminate scratching or surface abrasion and line jams (Marsh and Bugusu, 2007). Although glass is recyclable and reusable, glass is heavier than other materials, adding to transportation costs. Aluminium is flexible and provides excellent malleability. Despite being an ideal
material for recycling due to its ability to be reclaimed and processed into new products, aluminium is relatively more costly than other metals and not easy to weld (Marsh and Bugusu, 2007). Plastics are lightweight and inexpensive materials. They are highly polymerised compounds consisting mainly of carbon and hydrogen but may require petroleum and natural gas for their production. Thermoplastics tend to soften upon exposure to heat but return to their original condition at room temperature making them ideal for packaging of consumed goods. All polymers are recyclable. However, some practical limitations exist in separation for certain products (Marsh and Bugusu 2007).

2.5 Packaging Communication
Communication has a vital role via packaging a marketing communicator for brand managers (Underwood and Klein, 2002). Gonzalez et al. (2007) consider packaging as a component to communicate an added value to the consumer through increasing the perceived benefits to consumers, a sense of positive attributes. Packaging materials can influence quality perceptions for consumers. Rundh (2005) mentions that the typical shopper passes about 300 items per minute in an average supermarket. Ergo the package must attract and serve many of the sales tasks for signalling a favourable impression. Sogn-Grundvåg and Østli (2009) claim that the packaging is vital in communicating the right message about the product maintaining the sole communication between a product and the final consumer (Gonzalez et al. 2007).

Consequently, Kuvykaite et al. (2009) state that the role of a package in communications increases: consumers attention and transmit the fair value of a product in the brief period right at the point of sale. An efficient, communicative package design should include the following elements according to Smith and Taylor (2004) form, size, colour, graphics, material and flavour. However, it is essential to differentiate the verbal and nonverbal elements. Kuvykaite et al. (2009) conclude that graphic, colour, size, form, and material are visual elements (nonverbal), while product information, producer, country-of-origin and brand are considered verbal elements. Furthermore, Rundh (2009) discusses the role of higher-quality printing techniques, which can deliver a luxurious or prestigious appeal. The colours used in Sweden have an organic visual and are relatively muted (Kindelan, 2018). The colours red and green are of interest as they evoke environmental sustainability (green) and arousal and excitement in the colour red (Lyons and Wien, 2017).

3 Methods
This study uses a qualitative case study approach exploring three companies; Pastillfabriken from the confectionary industry, Björk and Berries from the cosmetics industry and ACO from the dermatologic skincare industry. The criteria for selection for defining premium was according to Quelch (1987), including overall higher quality and price perception done by providing specific attributes and distributed through selective retailers. Studied packaging were an aluminium pouch or box, paper composite bag, plastic and glass bottle.

The data collection was accumulated from open-ended interviews and subsequently coded. By comparing the data from the three case companies, the study achieves a thematic visualisation presented in diagrams. The study on the packaging had its focus on the following topic: Communication: What the package expresses to the consumer, including but not limited to: colour, shape, persona, graphic design, what message it conveys, how it sells the product and the connection to the brand, what makes it exclusive. Innovation: Usability, value creator for the consumer, dosage, new ways to pack, materials, quickly unpacked, additional usage after unpacking and thermally protected. Environmental sustainability: CO2, recycling, product endurance, scraps, disposal, littering and protection.

4 Results
4.1 Communication
Pastillfabriken and Björk and Berries emphasise their strategy to appear genuine. Pastillfabriken, apply the location and traditions regarding confectionary visualised in the packaging by bearing a vintage appearance. The segment of its products packed in an aluminium case representing the original casing of pastilles. The company would like to continue preserving such industries in the countryside and creating the image using packaging acts as a silent salesman. Pastillfabriken wants to combine the feeling of choosing an environmentally sustainable product and a product that communicates exclusivity by offering material more exclusive aesthetic than paper. ACO apply a colour-coding method in their packaging. Blue represents normal skin, dry skin in pink and oily skin represented by a green colour. Also, the font and shape is another crucial addition to communicate exclusiveness. However, there is a balance as ACO does not want to appear overly exclusive, alienating the core customer. It has to be in alignment with the brand. The designers can regulate the feeling of the package depending on the aesthetical design. Björk and Berries differentiate themselves by using more expensive printing techniques such as basting, lacking and silkscreen, separating them from lower-cost brands. The design language is traditional and straightforward. The materials differ from lower prized competitors in that the company uses a waxed paper for the bar soaps instead of plastic wrapping. Björk and Berries want to communicate a story regarding the brand involving Sweden and its traditions through their packaging and appearing genuine and neutral. Björk and Berries differentiate themselves as ecological since they may use brown bottles and a “do it yourself” approach. The colour brown generally viewed as a colour associated with recycling. It also adopted a minimalistic design approach with colourful graphic design. Gold accents have also selected to indicate, luxurious aesthetic. Björk and Berries use transparent materials. Plastic and glass applied to see the packaging contents, contributing to the genuine perception projected on the consumer.

4.2 Innovation
ACO explains packaging innovation as a way for the consumer to receive added benefits when dispensing the product’s contents. Consumers may prefer a spray rather than a lotion. Thus, a practical innovation would allow traditional non-sprayable contents to sprayed. Another example includes packaging that achieves the same functionality but minimises the packaging material. Björk and Berries unconventional way of applying packaging materials in part as innovation. How Björk and berries profile themselves in terms of graphical design is novel compared to the competition based on natural and organic skincare products. Pastillfabriken uses a traditional design. However, it points out the aluminium casing, conventionally seen as a vintage aesthetic mixed with modern graphic design, is novel seen to the competition.

4.3 Usability
Björk and Berries described issues regarding the information on how to use and open the package. In alignment, it underlines the importance of usability and that the customer must understand how to apply the product. Trade-offs in usability contra sustainability when reflecting on the soft plastic packages limit the capability to reseal the package. The design needs to consider how the packaging contents can be accessed, flip- contra screw top. ACO prioritises choosing a type of packaging to fit the intended purpose from a mainly technical perspective. If the product intended to be placed in the shower or on a shelf, different cases are required. There are also category standards linked with colour and packaging types in cosmetics (ISO 22715, 2016). The contents of the package will dictate the design and usability of the product. ACO also addresses to consider the inclusion of transportation when designing the package.
4.4 Environmental sustainability
ACO evaluates the problems linked to transport efficiency. The management strategy is to maximise the number of units shipped per transport. Emphasis is put on ACO ordering the correct amount of packaging materials, avoiding the need to scrap materials. That also includes the calculated shelf life of the product, partly dictated by the packaging used. An eye cream may not reach a volume past 15 millilitres as it will not use up before the end of its shelf life. The strategy continues by enabling the consumer to maximise the ability to empty the packaging by making the design of the package easy to dispense altogether and therefore reduce scraps post customer. ACO uses testing methods to determine how much rest product is allowed in the package after use. To use materials other than plastic is something ACO is considering but has not yet implemented. Recycled plastic is more realistic than biodegradables as the contents of the packaging do not allow for it. ACO might use a plant-based PE material or post-consumer recycled material to replace unrecyclable laminate or nylon in the future. Today ACO mainly uses polyethene and polypropylene. Pastillfabriken uses a paper-plastic composite, claiming it is environmentally better because of the reduced plastic use. It has a sustainable and ecological vision but admits that some parts are easier than others. At first, the company used only plastic in their packaging however transitioned to a composite because plastic did not fit the company narrative. Today, the company is working on a free from plastic product claiming the composite acts as a gate to that future. In addition, the company offers an aluminium casing for more expensive products. Björk and Berries state that the company continuously updates its products as sustainable. It considers a holistic perspective on the life cycle of the product, from idea to waste. Although plastic is the primary packaging material used and does not consider a sustainable life cycle issues as 83 per cent of PET was recycled in Sweden (Pantamera, 2019). Björk and Berries encourage their consumers to recycle the packaging by providing the information that everything is recyclable. Additionally, the company apply high standards related to environmental policies and green electricity. ACO and Pastillfabriken emphasise the importance of a maximised shelf life to reduce scraps, adding that the company does not produce any scraps. Solid bottles aid in sustaining a longer shelf life. The company uses an outlet where defective products are sent and sold for a reduced price, referring to it being the reason for its absence of waste.

4.5 Exclusiveness
ACO position its products on the high-end market. The products distributed through Swedish pharmacies. The pharmacies have strict regulations on the contents of the formula. Björk and Berries use more expensive packaging materials, glass, and printing techniques, which separates them from budget brands. Because of the limited quantities, there is room for manual labour when attaching the labels. The company focuses on formulas and high-quality ingredients. The aesthetics of the packaging contributes to the impression of perceived quality. Pastillfabriken distributes two types of packaging solutions. The plastic-paper composite sold in local retail stores. The metal box sold in selected locations and usually purchased as gifts. It is a challenge for Pastillfabriken to produce the metal casing since it is expensive to manufacture. In combination with the physical feeling of the packaging, the graphic design contributes to the perceived interpretation of exclusiveness found in the products.

4.6 Materials
The packaging material plays an important role that is interlinked and overlapping with all three categories. Björk and Berries focus on recyclable materials that do not hurt the ecosystem. They are also searching for a hundred per cent biodegradable materials. The diagram below shows how materials interlinked in the packaging strategy with innovation, communication and environmental sustainability.
The results above were concluded and visualised (figure 3) based on the times the subjects mentioned materials role in the three topics. Therefore, an individual category created for materials and three subcategories; material sustainability, material communication, and material innovation. Similarly, the coding process selected the material topic within the three categories and accordingly placed it in either of the three materials subcategories as shown.

4.7 Competitive Advantage
Environmental sustainability and recycling pointed out at the top of the packaging strategy of Björk and Berries. The company believes its competitive advantage comes from the materials and the graphic design. Unlike other ecological brands, it uses more colourful and vibrant packaging and higher quality printing techniques. The company Pastillfabriken states that the advantage comes from the consumer experience when holding the package and feeling the material. Pastillfabriken views the vintage design of their packaging to be the driving force for their competitive edge. The founders wanted to give the consumer a sense of familiarity when handling the package. The company motivates this by expressing pride in local history and therefore producing a traditional vintage design. The company ACO, on the other hand, stresses the importance of usability and innovation. Moreover, usability could drive and deliver an added value and “extra benefit”. Nevertheless, ACO stresses that usability and openability are determinants of the choice of materials. Thus, ACO’s packaging strategy delivered through the usability and innovation of their products.

4.8 Packaging Strategy
The packaging strategy is interpreted based on the three dimensions of this research. Pastillfabriken has a narrow packaging strategy focusing significantly on communication (see figure 5), whereas Björk and Berries emphasise environmental sustainability primarily followed by communication (see figure 6). Finally, ACO has a broader packaging strategy,
encapsulating communication followed by innovation with little focus on environmental sustainability (see figure 7).

Figure 5 Pastillfabriken packaging strategy.

Figure 6, Björk and Berries packaging strategy.

Figure 7 ACO packaging strategy.

The packaging strategy graphs presented below were created based on the coded transcripts within the selected categories (table 1). Each category consisted of subcategories within the broader researched area, i.e. communication being the category and consists of the following subcategories (Persona, graphic design, appearance and printing techniques, brand image and emotions). The coded material was then quantified through the coverage percentage area as explained in the methods part. Accordingly, the coverage percentage area exported to excel, and after that spider diagram is drawn. Table 1 shows the categories and subcategories of the dimensions taken into consideration of the premium primary packaging strategy for the case companies with a coverage percentage for each category; the sum of the three case companies shown as the total.

Table 1 Categories and subcategories for case companies with figures.
Figure 8 shows that the competitive advantage has the highest coverage. However, it varies in each of the case companies. Figure 8 is a visualisation of table 1, representing the pattern as combined from the premium packaging strategy of the case companies.

<table>
<thead>
<tr>
<th>Categories &amp; Subcategories</th>
<th>ACO</th>
<th>Björk and Berries</th>
<th>Pastillfabriken</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communication</td>
<td>5.31</td>
<td>15.82</td>
<td>0.55</td>
<td>21.68</td>
</tr>
<tr>
<td>Persona</td>
<td>1.25</td>
<td>1.33</td>
<td>2.51</td>
<td>5.09</td>
</tr>
<tr>
<td>Graphic Design</td>
<td>5.33</td>
<td>7.51</td>
<td>5.34</td>
<td>18.18</td>
</tr>
<tr>
<td>Appearance and Printing techniques</td>
<td>8.38</td>
<td>7.21</td>
<td>2.6</td>
<td>18.19</td>
</tr>
<tr>
<td>Brand image &amp; Emotions</td>
<td>6.2</td>
<td>2.48</td>
<td>10.85</td>
<td>19.53</td>
</tr>
<tr>
<td>Exclusiveness</td>
<td>2.99</td>
<td>5.49</td>
<td>2.87</td>
<td>11.35</td>
</tr>
<tr>
<td>Quality &amp; Authenticity</td>
<td>8.09</td>
<td>7.18</td>
<td>16.77</td>
<td>32.04</td>
</tr>
<tr>
<td>Innovation</td>
<td>12.92</td>
<td>7.1</td>
<td>1.15</td>
<td>21.17</td>
</tr>
<tr>
<td>Usability</td>
<td>8.47</td>
<td>1.46</td>
<td>3.93</td>
<td>13.86</td>
</tr>
<tr>
<td>Environmental Sustainability</td>
<td>12.25</td>
<td>40.65</td>
<td>5</td>
<td>57.9</td>
</tr>
<tr>
<td>Recycling</td>
<td>0.61</td>
<td>4.44</td>
<td>0.99</td>
<td>6.04</td>
</tr>
<tr>
<td>Materials</td>
<td>9.84</td>
<td>14.85</td>
<td>4.32</td>
<td>29.01</td>
</tr>
<tr>
<td>Competitive Advantage</td>
<td>34.15</td>
<td>21.97</td>
<td>16.72</td>
<td>72.84</td>
</tr>
</tbody>
</table>

Pastillfabriken emphasises quality and authenticity in their packaging strategy, which also explains why they are the leading in brand image and emotions. Packaging is the driving force for the company. On the other hand, Björk and Berries focus on environmental sustainability, and they are concerned about the materials used and the remains of their packaging and contents. For ACO, innovation followed by usability represents the leading packaging strategy despite the relatively small representation. Reflecting on the initial three-leg model, when plotting the premium packaging strategy, as seen in figure 9, communication shows the highest involvement, whereas environmental sustainability comes next and lastly, innovation with minimal involvement. According to the three forces, figure 9 shows the premium packaging strategy based on the three case companies.
5 Analysis

Björk and Berries and Pastillfabriken both emphasise genuineness in conjunction with a focus on storytelling. It is notable that both focus on different areas of genuineness based on the difference in profiling between the companies. Björk and Berries aim to communicate genuineness based on their ecological and organic marketing terms, such as “eco-luxury”. The company dedicates most of their branding to communicate stories concerning Sweden, nature, organic and ecological themes. The brand aims to receive trustworthiness and connect with their target consumers, stating that storytelling is a popular strategy to connect with consumers. As the average customer passes by 300 items per minute, the brands have to differentiate themselves to get noticed and be attractive to the consumer. Björk and Berries use storytelling to connect to their target audience as conscious consumers. By giving products a descriptive title, “From the garden”, the company profiles themselves as organic and communicates a message about the product, supported by Sogn-Grundvag and Østli (2009) theory of message communication. By describing the recycling process on their packaging, the company aims to communicate itself as environmentally sustainable. The materials used in the packaging aims to validate the company’s stance on environmental issues. Using waxed paper as a package to the soap bars, the material itself becomes a selling argument apart from the primary function of the soap (Wells et al. 2007). The soap itself is similar between competing companies, and the consumers can choose to make a statement by choosing the soap with the more environmentally sustainable package; thus, the packaging gives the product an added value in agreement with Gonzalez et al. (2007). These factors, in combination, create brand storytelling made to entice consumers and associate the company with the specified qualities. However, when choosing material for perceived sustainability purposes, Steenins et al. (2017) concluded that consumers have differing opinions regarding perceived material sustainability. Since sustainability can refer to multiple aspects such as recyclability, reusability, or the excessive use of packaging, the communication strategy may confuse the consumers. The material in combination with graphical design will further impact the perceived sustainability of a product. Since Björk and Berries differentiate their brand from traditional ecological companies, it might create miscommunication regarding their desired perception, as the company perceives eco-friendliness. By using transparent materials Björk and Berries attempt to increase the genuineness of their products by showing the contents of the packaging. According to Steenins et al. (2017), the glass may have adverse effects depending on the customer’s perception of glass from an environmental viewpoint, as glass is resource-intensive in production and physically heavy in transportation (Marsh and Bugusu, 2007). Similarly, the media’s attitudes influenced by material changes as it changes customer preferences (Rundh, 2005). According to Steenins et al. (2017) theory of perception, companies can use distinctive colours to associate their product to different categories (Lyons and Wien, 2017). Using the colour green, the company can associate their product with environmental sustainability, and by using red, they can convey exclusivity. Related to Björk and Berries communicative approach, a similar scenario found in the case of Pastillfabriken where the confectionery traditions play an essential role in the product and packaging, much like Wiedmann’s et al. (2011) theory regarding the importance of brand heritage. This strategy has been successful as the consumers perceive the company established before the company’s launch. The materials used in the metal packaging also attempts to integrate with the historical brands. As a result, the company reaches an older audience starved of content. Adding the word “Original” to their product flavoured Eucalyptus further simulates the heritage brands and attracts the targeted consumer. The location affects the perceived quality of a product since it is perceived lowered when manufacturing takes place in a developing country (Wu and Fu, 2007). Both Björk and Berries and Pastillfabriken utilise this to be a vital part of their branding and packaging. According to Wu and Fu (2011) and
Costa (2019), this strategy will positively affect the brand’s perceived quality. ACO’s communication strategy aims to be more functional to organise different skin types, making it easier to discover, and minimise customer confusion in an otherwise potentially overcrowded market (Rundh, 2005 and Sogn-Grundvag and Østli, 2009). It aims to provoke the consumers’ attention and transmits a message in correlation with Kuvykaites et al. (2009) theory. All of the case companies use verbal and nonverbal forms of communication found in Smith and Taylors (2004). Björk and Berries focus on verbal dimensions to a greater extent by emphasising the company’s environmental values, leading them to the decisions of their packaging design and materials. Pastillfabriken shares a similar strategy as most of the qualities listed apply to them as well. However, the company accentuates its association with the confectionery traditions of Gävle. In the graphic, colour, form, and material related to the vintage design. ACO separates itself by relying on neither the origin nor the production location. Instead, ACO chooses to emphasise functionality, usability, technicality, and packaging. ACO mainly chooses packaging based on the intended purpose from a technical point of view, correlating with Mohammadi et al. (2015), the role of technology in packaging is to meet consumers needs and requirements. Openability, the shape and the size of the packaging depending on the product’s function are essential categories that define the packaging strategy for ACO. Pastillfabriken, on the other hand, does not consider packaging innovation in terms of usability nor openability. Nevertheless, Pastillfabriken has achieved the traditional vintage packaging for this type of candy. One of their flavours merges a modern design with a vintage aluminium casing, which may be regarded as a marketing innovation as their competitors have not previously introduced it. The flavour has been a success and one of their top-selling products, providing them with a competitive advantage. Vernuccio et al. (2010) has determined the elements of marketing-led packaging innovation. These include practical, ideal and emotional values that innovative packaging can deliver to users. The aluminium box from Pastillfabriken is practical because the boxes can be reused (Marsh et al. 2007). They are ideal for the candies inside, a traditional type of candies aesthetically fitting the packaging. The aluminium boxes evoke emotions as vintage and, therefore, an old brand. ACO is the only company discussing transportation efficiency. The company strategy to maximise the number of units shipped per load. Consequently, ACO does not have any scrap material. ACO’s strategy to maximise shipping units can reduce emissions as the transportation and manufacturing industries are the most prominent source of greenhouse gas emission and contributed 62 million tonnes of carbon dioxide in 2016 (Statistics Sweden, 2018). ACO considers the product’s shelf life an essential part of their sustainable strategy, calculating consumable volume for individual packages. The volume amount in each package also affects the amount of transportation needed (Vernuccio et al., 2010), stating that space-saving optimises load saturation and reduces the number of delivery vehicles required. The company is not inclined to change their packaging material to a biobased solution as it will interact with the contents of the package since seventy per cent of their products are water-based and therefore jeopardise the useful life of their product. Mensitieri et al. (2011) support the statement that biopolymers will display performance problems compared to synthetic polymers, justifying the use of synthetic material for practical use. As with ACO, Björk and Berries do not produce scrap material due to the packaging construction being solid, prolonging its shelf life, and promoting the outlet store. The conversion to more sustainable materials is something the case companies considers. However, packaging materials must fulfil tight standards to help the contents maintain their level of freshness (Lagaron, 2011). Therefore, materials are an essential topic of discussion as there are concerns regarding the requirements mentioned earlier if biobased materials were to be considered (Mensitieri et al. 2011). Plastics have several desirable characteristics in packaging, such as softening when heating, allowing for easy moulding, yet reassuming the original shape when returned to room temperature (Marsh and Bugusu, 2007). However, as a consequence of the inexpensive material, resource-
heavy production and non-biodegradable attribute, the material is environmentally unsustainable (Marsh and Bugusu, 2007). ACO envisions the future of their material strategy to include recycled plastic as biodegradables would not allow for the packaging structure, supported by Mensitieri et al. (2011). Following the packaging waste directive, ACO aims to reduce the amount of material use, something that benefits the rest of the industry related to cost. The paper-plastic composite used by Pastillfabriken used to increase the company’s environmentally sustainable approach. Supported by Ashori (2011), fibres in plants are suitable for reinforcing plastics since the material is solid and stiff and has low density, cost, and CO₂ emissions. Given the information provided, the most critical part remains to be the main functions suggested by Vernuccio et al. (2010), including safeguarding the thermal, physical, and chemical-bacteriological integrity of the primary contaminants of the product. Since the ingredients of the product offered by Pastillfabriken include preservative ingredients, it allows for a less protective package. Björk and Berries claim their packaging is 100 per cent recyclable and provides instructions for how to do so, effectively promoting it. The Swedish Environmental Protection agency’s (2014) study concludes that nudging can be a tool to influence people to make sustainable decisions. Pastillfabriken uses two materials in their packaging strategy, aluminium and paper-plastic composite. According to Mitchell et al. (2014), there are limited options when recycling paper-plastic composites. However, the aluminium casing used has suitable attributes to be recycled as it can be reclaimed and processed into new material (Marsh and Bugusu, 2007). The initial categories that were the foundation of this research were communication, innovation and environmental sustainability. However, as the interviews conducted, an overlap of the categories and the subcategories were discovered. The packaging materials applied to communicate exclusivity, referring to the elevation of exclusivity when packaged in the paper compared to plastics because of the emotional appeal. Additionally, ACO discusses how materials can contribute to the usability of the package. It is not preferred to have much product remaining in the packaging that can not pump out or sprayed. Thus, it is evident that materials contribute to reflecting usability. Figure 10 shows that the employment of materials in environmental sustainability has the highest representation according to the interviews followed by material communication, while material employment in innovation has the lowest representation. Even though packaging materials did have an overlapping effect with the three dimensions of this research, rather than being an independent category that does not exist in previous literature, however, this effect does not rule out the combining effect of packaging materials with the three dimensions. Meaning that the strategy of deploying materials combined material innovation and material communication. Thus, there was a correlation between the material category and the three dimensions, as shown in table 3.

Table 3 Material overlap matrix.

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Material communication</th>
<th>Material innovation</th>
<th>Material sustainability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communication</td>
<td>3</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Environmental Sustainability</td>
<td>1</td>
<td>0</td>
<td>18</td>
</tr>
<tr>
<td>Innovation</td>
<td>0</td>
<td>0</td>
<td>2</td>
</tr>
</tbody>
</table>
Björk and Berries prioritise environmental sustainability and the recycling of their packages in their packaging strategy, which they want to convey through the communicative approach of materials and graphic design. The competitive edge lies in the fact that their packaging, unlike other organic brands, is not the typical brown bag packing. Thus, to deliver this competitive edge, they use higher quality printing techniques. Rundh (2009) discusses the role of higher-quality printing techniques in delivering luxurious or prestigious appeal. Pastillfabriken sees that the vintage design of their packaging is also a driving force for their competitive edge. The vintage design and something traditional since they are proud of their history. ACO’s packaging applied as a competitive advantage, and usability is the driver for sustaining it. The sprayable lotion was challenging to produce from a technical point of view. Usability could drive and deliver an added value as an extra benefit. Moreover, usability and openability are determinants of the choice of materials. Thus, ACO’s packaging delivered through usability combined with innovation.

Fig. 11 Competitive advantage on company level.

5.1 Packaging strategy
Pastillfabriken did not specifically name the goal-reaching plan they had a strategy, as defined by Harckham (1989), nor did they have a well-defined framework. The company prioritised to reflect exclusiveness by communicating it through materials and the package’s design to attract an older demographic supported by Wells et al. (2007) argument about packaging representing one of the most critical platforms for communicating the brand message directly to the target consumer. Nevertheless, it can be seen in figure 12 that Pastillfabriken is overlooking the two other dimensions and precisely the innovation dimension. According to Harckham (1989), Pastillfabriken would benefit by adopting a holistic strategy that would make it easier when combining packaging-related functions, impacting the overall performance.
The choice of names given to the products has a premium packaging strategy that supports their slogan “Eco-luxury”, supporting the silent salesman approach. Nevertheless, figure 13 shows that Björk and Berries premium packaging strategy overlooks innovation significantly, which can be problematic in the long run since Esmaeilpour et al. (2010) argues that highly selected packages by consumers are those with newer technologies.

Although ACO’s premium packaging strategy shows that communication has the highest involvement (figure 14), an overlap noticed. Furthermore, ACO emphasises usability and packaging innovation in the packaging strategy. Rundh (2005) argues that innovation in packaging is a crucial strategy to play in the global market. Moreover, when looking at the premium packaging strategy diagram (figure 14), it is evident that ACO has a balanced packaging strategy confirming Harckham’s (1989) argument on the holistic view.

Figure 12, Pastillfabriken primary packaging strategy.

Figure 13, Björk and Berries premium packaging strategy.

Figure 14 ACO’s premium packaging strategy.

Figure 15 shows the packaging strategy prioritised in three premium companies according to the three dimensions, communication, environmental sustainability and innovation. Communication peaks as the most employed dimension to focus on, followed by environmental sustainability, whereas innovation falls short with the least involvement in premium packaging.
strategy. Innovation is the lowest area focused, ACO’s visualised diagram shows a broader spread in their strategy is the most holistic company as to the themes studied.

Figure 15 Three dimensions involvement in premium packaging strategy.

The strategy of the companies differs based on how the companies aim to be perceived. There appears to be a tendency for the smaller companies to emphasise location and heritage more than the more prominent brands since the smaller companies focus more on the local retail market. When a smaller company focuses on environmental sustainability or heritage, this defines its entire approach and is present throughout its packaging strategy. As a result, it also communicates the perception of the product. Using storytelling makes it easier for the consumer to relate the product to a feeling or an attribute. Several factors result in competitive advantage: the emotional appeal of packaging, meaning it is not the materials themselves but rather the emotional connection the consumer.

6 Conclusion

The case companies value genuineness in their communication strategy, specifically connected to the location. Additionally, they choose to focus on specific attributes that communicate stories about the brand related to its origin. Related materials used to correlate with how the company wants to be perceived by the consumer. Furthermore, an overlapping effect emerged, showing a correlation between the material category and the three dimensions, rather than being an independent factor. Larger companies use a more holistic packaging strategy incorporating innovation more than smaller companies, presumably correlated to their establishment level, separating them from the other two case companies who have invested little in this category. Companies selling their product in pharmacies communicates functional and usability attributes. All companies incorporate some form of sustainable environmental strategy. However, only one predominantly emphasises it and additionally uses it in their communication strategy. The companies project exclusivity through shape choice, material use, location and heritage profiling, price and retail location. The companies are hesitant to be described as premium as it might alienate their consumers. The companies have different theories on why their packaging might deliver a competitive advantage. In some cases, it is due to their use of material and graphic design; however, others add that a lot lies in the emotional appeal the packaging evokes when the consumer holds it and its usability. The study will aid new and established corporations missing a dedicated packaging strategy related to the categories discussed. Packaging is not an integrated part of every company strategy, and as a newly formed company, the focus put on the main product. Instead of companies investing time and resources on dedicated research, this study may help companies gain further insight by providing information on how established and newly formed companies already navigate their packaging strategy regarding communication, environmental sustainability and innovation. It provides information from the most relevant sources within each case company and generates specified information for companies or researchers in the subject of packaging.


