



INDUSTRY ARTICLE

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Reusable packaging makes online commerce more sustainable

The huge growth in online commerce has led to an increase in packaging volumes. A number of companies are turning to new reusable packaging concepts to minimize the resulting waste.

More and more people are ordering their goods online. E-commerce is booming, particularly in the context of the coronavirus pandemic. The resulting growth in online orders is leading to an increase in packaging volumes, since the goods are mostly delivered in cardboard boxes and wrapped in additional protective packaging. Various materials perform essential transportation and protective functions: for foodstuffs in particular, which are being ordered online with increasing frequency, plastic is vital on account of its versatile properties. But even so, online commerce must play its part in meeting the demands of policy-makers and society in general to reduce packaging waste. This is also where Germany's new Packaging Act – in force since early 2019 – comes in. Under the Act, transportation packaging is included under the broad heading of packaging, and online retailers are required to register it and pay the appropriate licence fees.

Goal: Customer-friendly return systems

To save costs and fulfil their responsibilities, more and more companies are making use of reusable rather than disposable packaging. After being used, it is taken back by the retailers for cleaning and reuse. This reduces raw material consumption and also the volume of waste being generated. For this reason, a DHL survey from December 2019 predicts a promising future for new packaging concepts such as reusable products. According to the survey, the introduction of reusable packaging and circular recycling programmes to reduce waste has picked up pace dramatically. Even so, there are still a few hurdles to overcome.

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According to the study, sectors seeking to develop an economically viable reusable packaging system need to consider how large their supply of packaging material should be, and make plans for both cleaning systems and the inspection and maintenance of transport containers. The costs, speed and user-friendliness of processes in reverse logistics must be taken into consideration. In their “Guideline for recyclable and sustainable packaging”, the Bavarian Chambers of Commerce and Industry identify a number of general conditions that make reusable solutions especially practical. These include regularly supplying a fixed customer base, an easy-to-follow product range, products with stringent protection requirements, and also labour-intensive packaging. The process for taking back packaging should be structured to make it as easy as possible for the customer in every case. This is one of the critical points for a functioning reusable system.

How reusable systems can work in practice

Now, however, there are a number of examples showing how this can be implemented and function efficiently. One of the most prominent examples is Loop, which is working with well-known companies to make its approach to reusing packaging a success. It was established by US recycling firm TerraCycle, and focuses on fast-moving consumer goods (FMCGs). Customers buy the goods online and receive them in special reusable plastic boxes. They can then return these boxes to the retailer or arrange return shipping online.

Many brand manufacturers like Procter & Gamble have already signed up for the initiative, and logistics giant UPS is also working with the company. Proprietor Tom Szaky presented his strategy at PACKBOX during the last FACHPACK. He also announced at the time that he intended to become an active player on the market in Germany.

The challenge: standardized processes and central storage locations

In Europe, Finnish company RePack is already well established in the area of online commerce. Working with fashion retailer Zalando, the company launched a pilot project last autumn to test reusable packaging. Ten thousand customers in Finland, Norway, Sweden and Denmark received their Zalando orders in posting bags that can be used over and over again. For Uwe Streiber, Team Warehouse Consumables at Zalando, the challenge lies mainly in the number of individual solutions available: “To benefit from



economies of scale with the reusable packaging concept, the entire E-commerce industry has to be on-side. We need standardized processes and central return facilities for reusable packaging.”

Otto and Tchibo are also working with RePack to research the suitability of a reusable system for daily use as part of the “[praxPACK](#)” pilot project. The goal of this research undertaking, sponsored by the German Ministry of Education and Research, is to help to establish and disseminate the idea of reusable transport packaging systems for online commerce with a view to substantially reducing the consumption of resources used for packaging in the medium term.

German company Memo AG, whose Memo Box has been on the market for more than ten years now, is also involved in this project. This box, made of 100% recycled plastic, can be sent back within 14 days at no charge, either empty or with product returns. The customers face no extra shipping costs, and the enclosed return consignment notes make it easier to return the Memo Box to the retailer.

A glance at the list of exhibitors at FACHPACK reveals that many other approaches are being made to establish reusable solutions for mail-order sales. All of these developments, however, would benefit from a standardized packaging return system. Projects like those mentioned in the examples above can make the transition easier for all market players.

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