



DIGITALLY EMPOWERED PACKAGING

Product development | Karel Golta’s scenario shows how digitalisation might impact cosmetic packaging in future.

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Have you wondered about the exponential development of technology? Artificial intelligence in the form of special algorithms and big data outperforms medical practitioners in cancer diagnosis. Toilet seats can sequence your DNA every time you go to the loo to make sure any conditional health change is recognised immediately. And what about cars driving autonomously? Or drones bringing

instant online shopping satisfaction?

These developments are amazing, aren't they? And then again, if you go shopping at your local supermarket and stand in the cosmetic aisle – doesn't it feel like being back in the 80s? Of course, the looks are different and some applications have evolved. But honestly: the tubes, creams, treatments and brushes – are they radically different from

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what they were 30 years ago? We are talking incremental innovations, if anything. Not even the offline shopping experience has changed. It doesn't feel like 2016 at all.

However, there is good news: this will all change. Digitalisation empowered by evolving technology will transform the cosmetics industry, starting with the User Experience (UX) throughout the entire customer journey. Interestingly enough, it is packaging which will play the biggest role in making this happen.

Changed expectations

Things are changing radically due to Generations Z* and Alpha**. They are truly digital. They will be educat-

ed and informed like no generation before. They think and act differently and have different needs; they swiftly accept new developments and adopt new behaviour. Just look at cosmetics bloggers: they can promote a lipstick in such a way that it sells the same quantities in just one week which with traditional marketing would have taken a year or more.

This shows that today there is a gap between the digital lifestyle, the product and the shopping experience. Digitally empowered packaging will help to bridge these gaps in the first and second stages. There are three ultimate properties only digitally empowered packaging can deliver:

1. It will connect.
2. It will generate seamless brand and product experiences.
3. And it will facilitate true cosmetic innovation.

But what is digitally empowered packaging? And what can be done with it today?

With the emergence of 3D printers, printed electronics have come to life, too. Technically, it is possible to print pretty much any form of electronics on a piece of paper, cardboard or plastic. We are talking about screens, batteries, sensors, circuits and memory. In labs around the world, fantastic applications are being developed and presented. Although most of them will only be available for mass market purposes in two to five years' time, there is one exciting application available today. NFC (near field communication) tags are cent-sized, printed circuits you can integrate into any packaging. You can read and write individualised information on them; they need no battery and can execute actions through smartphones. In short: they are a perfect smart bridge between any packaging and the digital lifestyle of the desired target group.

Connecting consumers in real time

Imagine a hair colouration system that guides consumers step by step

through the entire colouring procedure. The packaging interacts with the consumer's smartphone, showing detailed how-to videos and starting an individualised timer for the preset colouration result. All this without ever touching the phone, as this would be impossible due to the colouration gloves being covered in chemicals (see Fig. 1).

Communicating in real time with digital natives answers their digital needs and brings added value by providing personalised solutions. There are countless similar opportunities in any cosmetic category.

Seamless UX

Over 80% of all shoppers use digital means before or during offline shopping activities. While online shopping gets more and more personalised and customised, offline shopping is old school. Cosmetics, the store environment and digital lifestyle do not synchronise; there are no filters, no blog recommendations, no social media connectivity. Now imagine standing at the skin care POS. Every package has a small ▶



Fig. 1: The colouration packaging interacts with the smartphone



Fig. 2: Packaging with a small sticker showing in real time the product's Facebook likes or blogger recommendations

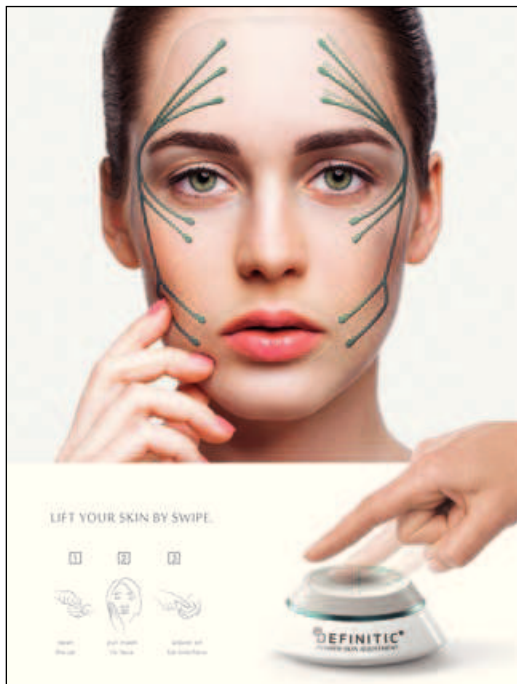


Fig. 3: Adjusting the performance of a mask via swiping controls on its packaging

sticker showing, in real time, their individual Facebook likes or recommendations by the most popular bloggers (see Fig. 2). Yes, competition is tough and this would have an immediate impact on sales of the less-popular products. But transparency is key to users, and if you don't help them, they will help themselves.

True cosmetic innovation

This is just the beginning. Today, many tech companies are working on solutions for the smartphone era. When everything that can be connected to the Internet is connected, then true new cosmetic innovations are not far away. What if the pigments of your makeup changed to match the colour of what you wear because both are digitally connected? Imagine a rejuvenation mask with performance that, once applied to your face, could be adjusted via swiping controls on its packaging (see Fig. 3).

Another great example is created by the design student X. He envisages a sun tanning package that first scans the consumer's skin type and then

measures the current UV emission on the spot. Once the lotion is applied to the skin, the packaging indicates by changing colour when it is time to reapply the product or to get out of the sun.

Here, both the product and the packaging blend seamlessly with no need for a smartphone. This packaging comes with a truly innovative value proposition.

Now you can claim using this product will reduce the individual risk of skin cancer with the help of its innovative packaging.

More than science fiction

Even though all of this may sound like science fiction, it makes one very strong point: digitally empowered packaging will help to shape truly innovative cosmetic products and their experience – not only at the POS but throughout its usage.

We have to adjust our thinking. Every industry on the planet is forced to respond to the changes caused by the process of digitalisation, no matter if it involves cars, farming or the finance industry. It is not about a single feature but about the value proposition generated for users. This change is inevitable.

If you wonder where to start, the answer is simple: start with a first step and then add one after the other. Once the target group with its intense digital lifestyle is identified, a first-step NFC packaging that connects and bridges digital gaps needs to be developed.

Then it is time to learn, maybe to start again and optimise. Sooner or later you will feel like a software company, and this is okay.

As new generations expect changes at the speed of light, you will have to be flexible.

Last but not least: when it comes to project costs, the first project needs to be calculated like a campaign, as costs will be higher than monetary return.

But at the same time, this will sow the seeds for the future of your brand. □

* The generational cohort following the Millennials

**Anyone born after 2010

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