

The hidden costs of packaging that mean you could pay more than you bargained for!

PACKAGING PRICE VS PACKAGING COST



PACKAGING PRICE

This is what you pay

Visible above surface is the delivered packaging price. Some operators will also consider direct costs related to packaging sorting labor, repairs, reverse logistics, end of life removal.

PACKAGING COST

This is the real cost to your business



POOR DESIGN AND EASE OF USE

Over-engineered packaging results in unnecessary material and manufacturing costs. Under-engineered packaging leads to damage and waste. A good design with a focus on ease of use will result in a lower total delivery cost.



SINGLE USE VS MULTIPLE USE

Multi-use packaging may lower the total cost per trip but not always. Factors such as waste disposal and packaging return needs to be considered. Options like hybrid packaging or single use packaging may be more cost effective.



PRODUCT DAMAGE

Packaging that's not up to the challenge only results in costly in-transit damage and upset customers. There is also the cost of extra handling, extra disposal fees and the extra troubles!



INVENTORY AND STORAGE

Many packaging suppliers demand long lead times and high minimum orders. This results in unneeded packaging taking up expensive warehouse space and high wastage as stored inventory can get lost, damaged, or obsolete before use.



STRATEGY AND REGULATION

Packaging that doesn't align with an organization's corporate sustainability or safety goals can impose further reputational damage. Remember that maintenance, storage, disposal, and environmental impact will increase your TCO.



ADMIN AND LOGISTICS

Lack of coherence from your packaging supplier means higher administrative costs and production coordination costs for you—not to mention all the extra hassle!



MISSED SHIPMENTS

Missed deadlines due to packaging not arriving in time to your warehouse leads to disputes with your supply chain partners and customers and the cost burden of penalties and delays.

