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Digital Package Printing As an Innovation Tool for Consumer Brands: an Interview with Mike Ferrari

Digital printing is no longer a tangential technology for packaging—it's a mainstream process for brands that want to stay fully engaged with consumers. An authority on brand management explains why.

By [Bob Leahey](#)

Published: March 15, 2016

What does it take to be innovative, and why is it so important? In particular, how does digital printing for packaging support brand innovation? InfoTrends recently interviewed a top consultant, Mike Ferrari, on these topics. Ferrari, who served in brand management at Procter & Gamble for 32 years, is the founder of [Ferrari Innovation Solutions LLC](#). He consults for a range of clients and is a strong advocate for digital printing as an innovation tool.

WhatTheyThink: What forces are most influential now in terms of packaging innovation?

Ferrari: The one I'd choose first is mass customization, which really is happening as thousands of brands worldwide target smaller and smaller segments of their markets, selling to groups and sub-groups, and all the way down to a single consumer.

WTT: What about influences on the consumer side?

Ferrari: Consumers' digital lifestyles are the most influential. More and more people are looking at screens, communicating on social media, and accessing digital content. Innovation by brands more and more has to mesh with consumers' digital lives and habits.

WTT: And future influences?

Ferrari: The most important will be the change in generations. Anyone in the developed world who's less than 35 years old today is a "digital native" and has grown up with information technology. That generation, plus ones following and others in the developing world, will all magnify digital influences on consumer product marketing. Eventually, everyone will be digitally engaged. Packaging needs to reflect that, for example by connecting consumers to digital content.



Personalized Label Example. Source: Jones Soda

WTT: Where does digital printing fit as a tool for packaging innovation?

Ferrari: Digital printing’s ability to print short runs quickly and without high costs means that brands can now test strategies with less risk and pursue them with more confidence. Because it’s electronic prepress, it allows rapid response to market events. It also enables totally new printing applications such as personalized packaging. Meanwhile, it even helps with packaging for end-of-life products, which often require short runs.

WTT: What would you pick as inspiring examples of innovation using digital print for packaging?

Ferrari: First, although the bulk of digital printing for packaging is unnoticed by consumers, it is inspiring in and of itself. This is the millions of short runs of color labels and packaging that are simply that, short runs printed on digital presses, most often working side-by-side with conventional presses. These are jobs that brands might not have been able to print otherwise, such as targeting kids at college or testing new SKUs.

WTT: What about digital examples that will be noticed?

Ferrari: Where to start? Oreo, the Mondelez cookie brand, offered online shoppers personalized printed packages as stocking stuffers for the Christmas holidays. In Belgium, Brouwerij Martens has launched direct digital printing of beer bottles with augmented reality images—the consumer scans the bottle with a smartphone and is connected to video clips.

Bud Light used digital printing and a special algorithm to create unique, one-of-a-kind sleeves for cans to engage with the millennial market. Now, in early 2016, Coke is launching the “It’s Mine” campaign for Diet Coke fans in the U.S. It uses the same HP Mosaic software that Bud Light used last year to create millions of shrink sleeves for Diet Coke bottles, each with a unique design.



Coca-Cola's "It's Mine" Campaign - VDP Shrink Sleeves Source: Coca-Cola

WTT: What about true personalization, where the consumer's name or image is on the product?

Ferrari: Only digital printing systems can provide personalized packages, and more brands are trying this. Leaders in this area include Kleenex, Heineken, Nutella, Lindt chocolate, Jones Soda, and other products that let consumers order personalized versions at a premium price. So, personalization is an emerging opportunity that will see continued growth in the future.

WTT: How will digital printing overcome the problem of higher printing costs?

Ferrari: In this area, I'd say that the focus is on two aspects of digital printing: system savings rather than price per piece; and adding value to drive brand growth.

Regarding price, digital printing has changed everything about the print production workflow. It reduces or even eliminates waste, rework, press approvals, and extra transactions. Digital printing workflows cut complexity, meaning that in some cases a higher price per printed piece will result in overall system savings.

There's a counter to the potentially higher costs of digital print: namely, the added value that a brand can realize. Think about Apple—did anyone ever buy an Apple iPhone because it sold at a lower cost than competing options? Of course not! Digitally printed packaging adds value, and that value justifies its price—it gives converters the ability to offer new levels of service to their clients, and even the ability to do things no other brand has done.

WTT: What types of innovation will brands want digital printing to support?

Ferrari: There's a range of possibilities, from sustaining innovation for established products to disruptive innovation for really new or revamped products. For a big brand, a portfolio approach is needed, because different products have different needs for innovation. At every level there is some amount of risk—it may be minimal risk for an established product that is getting minor adjustments only, or it may be high risk for a new product that may fail.

Digital printing has value for each level of innovation. This is because it cuts waste, prints personalized data or images, or lets conventional presses print only long runs, thus improving workflow. Sometimes innovation requires courage—some new strategies will be costly failures. Digital printing cuts risks, though, because it eases short-run printing and enables creative printing at low cost. Brands with access to it can be braver and, in turn, more innovative.

Robert Leahey of InfoTrends has many years of experience in consulting to the peripherals and supplies industries. He is primarily responsible for conducting custom research projects, most often on inkjet, thermal, and color laser technologies used for commercial and industrial applications. He is also the manager of InfoTrends' Color Digital Label and Packaging Service.

Discussion

by **Judy Berlin** on *Mar 17, 2016*

Robert - excellent article. Mike Ferrari rightly points out the new and innovative role packaging can bring to the multichannel media mix - especially when it reinforces a brand-to-consumer dialog. Many of our customers are excited by this trend and we are more than happy to arm them with the right tools to achieve the potential they foresee!