

Case Study: Paper vs. Foam Peanuts



Ever Thought of What Your Customer Thinks of the Packaging Material You Use?



An independent study of U.S. consumer preferences for packing materials used in mail-order shipments found that expanded polystyrene foam "peanuts" are not popular with consumers. Over half (56.3%) of the 517 respondents to an online survey said they did not like

foam peanuts, preferring brown kraft paper. Moreover, the more mail-order packages that respondents had received, the less favorably they rated foam peanuts.

Foam peanuts have long been the most widely used material among mail-order companies for packing shipments. The material is inexpensive and generally effective for loose items that are not fragile or heavy, but it has drawbacks. The most commonly cited reasons why survey respondents did not like foam peanuts were they are "messy," "a pain" and/or "difficult to dispose of."

"This survey shows a surprising level of consumer dissatisfaction with the packaging material most commonly used by companies for mail-order shipments," said Dave Gabrielsen, Chairman and CEO for survey sponsor Ranpak Corp. "We believe there is a message here for mail-order shippers: Your customers are asking you to find another packing material."

When asked about peanuts, here's what some of the respondents had to say:

"Peanuts go all over the place, it is sometimes hard to find items buried within the peanuts."

"...it takes extra time to clean them up and get them discarded. It also takes extra time to locate the object in the box, which is covered in the peanuts."

"The peanuts are a "PAIN" in the neck... blow all over, hard to control..."

"The peanuts, besides being environmentally unfriendly, are messy. There are always little bits left on the floor. When the garbage is collected from the street, there are little foam peanuts blowing around. I HATE peanuts."

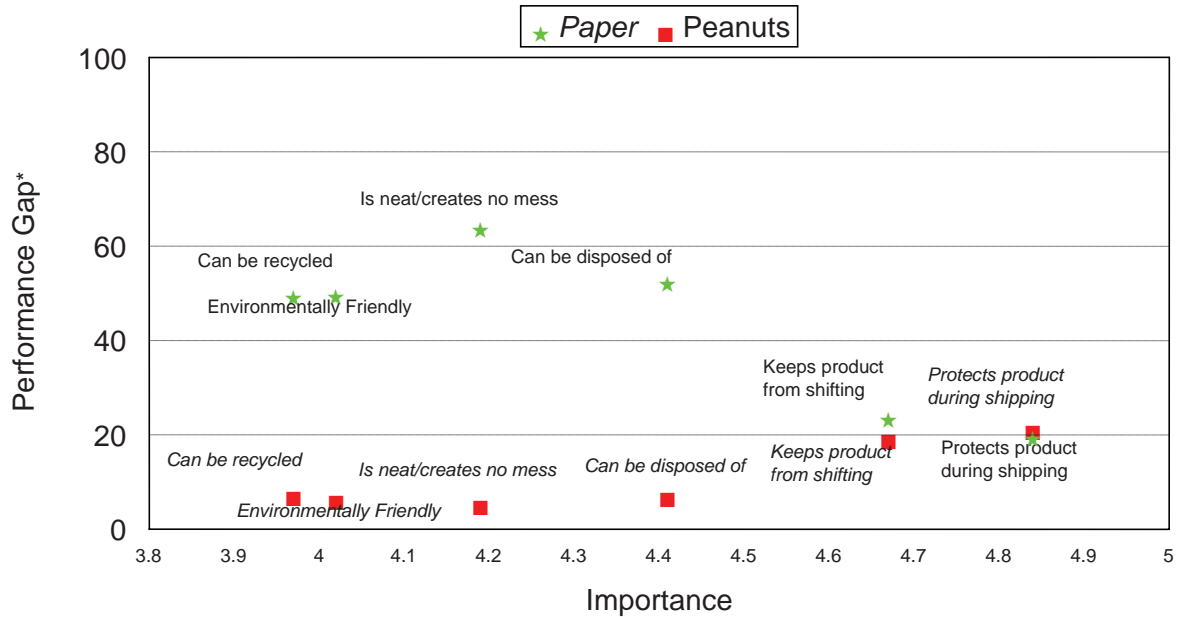
"...I am usually disappointed when I receive and open a package with packing peanuts in it."

"Weeks later you are still finding it all over the place."

"Those peanut styrofoam things are so messy and tough to throw away. They get everywhere when you go to unpack the item."

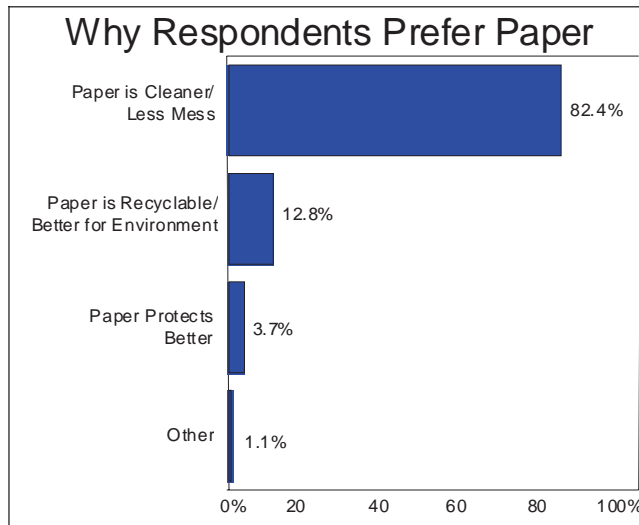


Which performs better, peanuts or paper?



*Performance gap ranked on an "either/or" scale and may not add up to 100% as many respondents rated both products the same.

Respondents rated paper and peanuts similarly on the most important attributes of protection and keeping the product from shifting. In all other attributes, paper was far superior, including ease of disposal and recyclability.



"Paper is neater and cleaner...easier to gather and recycle."

"Styrofoam is just too messy."

"Paper is less mess to clean up."

"It's biodegradable, unlike styrofoam peanuts."

Source: National Market Measures, Online Survey, October, 2004