

Is hologram packaging the 6th “P” of marketing

Holography has evolved from security to packaging, since Glaxo used it in 1989. Again in 1994 Smithkline Beecham launches Aquafresh white toothpaste in USA in a carton covered in holographic laminate, the first time of holographic packaging has been used for branding. The journey started by these companies is on its road to success with drastic developments in holography. Holography is a science which is continually evolving since the past 60 years. The key is innovation and the approach is to stay one step ahead of counterfeiters.

At this time of cut throat competition and global market conditions, companies have turned to new forms of packaging and intelligent labelling to ensure they get the attention of consumers to be successful in moving their product off the shelf and aid in helping consumers check for authenticity. Not every good packaging idea comes with a price tag. A little creative thinking is all that is needed. In the article we discuss the increasing use of Holography in packaging and product promotion.

Packaging - The 6th 'P' In The Marketing Mix

Packaging is the dress code of any brand. It is the 6th element of the marketing mix which is heavily integrated into our daily lives, which we see all around us, on everyday items such as chocolate bars and potato chip packets. Wikipedia defines it as “the technology of protecting products”; however, packaging plays an important role in the marketing mix- as a price criterion, as a setter of trends, in defining the character of products, and as an instrument to create brand identity and shelf impact. Packaging is distinct from “packing”, and plays an integral part now, since we live in an economy where there is adoption of branded products and widespread consumer preferences.

However, if we look at it from the manufacturer’s point of view- manufacturers take great pains in making their products. Then they spend great sums to market their product. The consumer accepts it and it is a great success. Soon they get unwanted publicity. Though all of the assets are protected, **the “golden goose”, that is the brand, is unprotected. This is because, unknowingly, the consumer often buys products that resemble what they want (counterfeits).** If you think it will not happen to you, think again. Fake spurious and counterfeit products have flooded the market. *There are 128 ‘known versions’ of Parachute Hair Oil, 113 of Fair & Lovely cream, 44 of Vicks VapoRub, and 38 of Clinic plus Shampoo.* The reason they are so popular with counterfeiters is that they are money spinning brands with a wide appeal and can be easily reproduced and sold in the Indian market. The problem is so widespread and compelling that it even has arch rivals Hindustan Lever and Procter & Gamble working with FICCI’s Mumbai-based Brand Protection Committee, which comprises 20 FMCG companies. The spread of new printing technologies has facilitated proliferation of counterfeits. This is a grave cause of concern for companies because fake products often ride on the success of the original product, eating into sales, and, in some cases, harming the consumer. Every time a company tries to shake off fakers by altering the design or colour of its products, counterfeiters are usually only a few days behind them.

DO YOU KNOW?

Facts about packaging

- Size of Packaging industry Worldwide (est.): USD 800 Bn.
- US packaging market accounts for about 24 %
- World packaging industry has been growing at a rate of 5-7 %

- Size of the Indian Packaging industry : USD 14 billion
- Indian packaging industry growing at a rate of 15% (These figures indicate towards a change in the industrial and consumer set up)
- This growth rate of 15% is expected to double in the next two years
- Reason for this growth: Increased interaction with the developed world, influencing aesthetic and quality norms of the Indian consumer
- Current trends: Greater consumption of branded products and increased use of rigid and flexible packaging
- Food and Pharma packaging are the key driving segments
- New development: Flexible packaging is replacing all forms of rigid packaging; with new innovations like concept of single use unit pack being globally acknowledged

Add to this, getting manufacturers to get their product noticed on the shelf & market, can be even more difficult. Today, most European supermarkets stock more than 10,000 products under one roof. Also in India, where supermarkets chains are increasing day by day, some 30,000 items fight for a shopper's attention on an average trip to the supermarket. Research shows that nearly two-thirds of those items are not noticed at all. **Unseen is unsold, quips one expert in shelf psychology. According to American Psychologist Schwartz, "we need to completely rethink the belief that increased choice means increased satisfaction. The range of choice today is so immense that one always has the nagging feeling of have actually made the wrong one. So we fall back on what is tried and tested and branded articles, due to our unconscious fears."** Thus there is a great need for creative ideas and unique packaging to make the brand noticeable and also prevent counterfeiting.

What is important to note is the fact that it takes more than the vigilance of a trademark team to combat these problems. The cost of the battle is to be borne by the companies. **It is certainly amazing that companies spend crores of rupees on marketing to increase their market share by a few per cent, but do not consider the effect anti-counterfeit measures can have on their market share, at a much lower cost.** Data from around the world indicates that brands protected by overt anti-counterfeit



measures have benefited from increased sales, through a great reduction in counterfeits, leading to increased consumer confidence in the brand. **The best strategy to increase sales and also counteract counterfeits is to use innovative tamper-proof packaging, multiple holograming practices and periodically changing authentication measures on a product specific basis.**

Holographic packaging and its importance

Today the most cost-effective method to combat counterfeiting and build consumer confidence is the incorporation of hologram image on the product or packaging. Holograms as anti-counterfeit devices are so successful that now over 40 currencies around the world have holograms as part of the anti-counterfeit protection system - including the Swiss Frank, Euro, British Sterling, Japanese Yen, etc. **One important application in recent times is the use of holographic material as a packaging material.**

The process of making a hologram is known as holography. In other words, with the help of holography, three-dimensional visual information is recorded, stored and replayed. Under proper illumination, a hologram displays a multi-dimensional image which can be seen from many angles and depths. There are various types of holographic materials used as packaging materials. They are Holographic Packaging Films, Hologram Hot stamping Foils, Holographic Aluminum Foils, Hologram Labels, Hologram Tape/Security Tape, Hologram Stickers. Nowadays, package designers are familiar with holographic treatments like a laminated film or transfer films. These hologram foils or films create various holographic patterns that create unique, eye-catching packaging designs.



Holographic Packaging Films

Various types of Holograms are also used in Packaging like 2D/3D Hologram, true Color Hologram, Dot-matrix Hologram, Kinetic Movement Hologram and Flip Flop Hologram. In this new age of holographic packaging it is the art of future dressing up of the brand. **It is not often that a simple design element is flexible in its use and so remarkable in its effectiveness. The impact of holography on packaging is immediate.**

Holography is today incorporated into various package designs. The concept of using hologram as a packaging material is rapidly gaining commercial acceptability on a

worldwide scale. These holographic materials are used in a variety of sectors such as

- **Food industry sectors**
- **Toiletries**
- **Dental products**
- **Wine and spirits**
- **Tobacco**
- **Detergent sector**
- **Personal health care products**
- **Pharmaceutical products**

In recent years, holographic special effects have become more affordable. As a result, holograms are being seen in more mainstream products- not just the traditional hi-tech, high-end products. For example, today we can find holographic special effects on many of the familiar toothpaste brands. Total® toothpaste from Colgate® and Aquafresh® toothpaste from SmithKline use holographics and colored inks to create eye-catching packages.

Holographic packaging films are ideal for flexible or rigid packaging. Application of holographic packaging is already extremely diverse ranging from toothpaste packaging to chewing gum wrappers. Hologram packaging includes flexible packaging, board packaging, rigid box, pack packaging etc.

Some of the advantages of holographic packaging materials are as follows:

- 1) **Holography adorns packages around the world by providing an added dimension of distinctiveness and BRAND IDENTITY** - The innovative use of holographic packaging has a proven track record of increasing sales by providing eye catching visual impact in the form of registered image holograms or wallpaper designed holography with a certain pattern, logo or trademark.

Holographic packaging: A unique way of advertising

The brand name of manufacturers of products like

Cosmetics: Clinique, Loreal

Toothpaste: Colgate, Aquafresh

Detergents: Ariel

Snack foods: Cadburys

Spirits: Coors

Collectible CD's and DVD's: Finding Nemo, The Terminator, The Incredibles, Men in Black etc., are a few who have used holographic packaging. This has proved that holographic packaging can not only gain market share, maintain market positions and launch new products, but they can also establish stronger brand identity.

- 2) **Customer perceives higher value addition, since holography PROVIDES DIFFERENTIATION and shelf appeal that brings product to the front on the shelf** – In this era, where customers face the psychology of choice, everyday, holography helps in getting the attention of the customers and moving the product off the shelf. This is because holographic images can “move” and “speak” to consumers through optical motion, and packages with holograms provide enough enticing eye candy to attract attention and gravitate toward the package. Many hologram designs are based on how the light is going to play with the image, where the light is coming from and hitting the package on the shelf. In an already crowded marketplace, the ability of a product to get noticed due to the sheer packaging is an invaluable tool to retain and increase market share.

For e.g. In February 1999, when Colgate-Palmolive Canada decided to enter the whitening toothpaste market for the first time, it knew it had to capture attention quickly in a lively, competitive environment and the Colgate name alone wasn't going to do that. The company hoped to win over loyal users of competitive brands, and persuade even users of its own standard toothpaste to upgrade to its new brand, “Colgate Sensation.” As a late entry into the marketplace, it was likely to be facing an uphill climb. Colgate-Palmolive’s global headquarters in New York recommended using a holographic package to break through shelf clutter, grab consumer attention and establish the presence of the new product in the market.

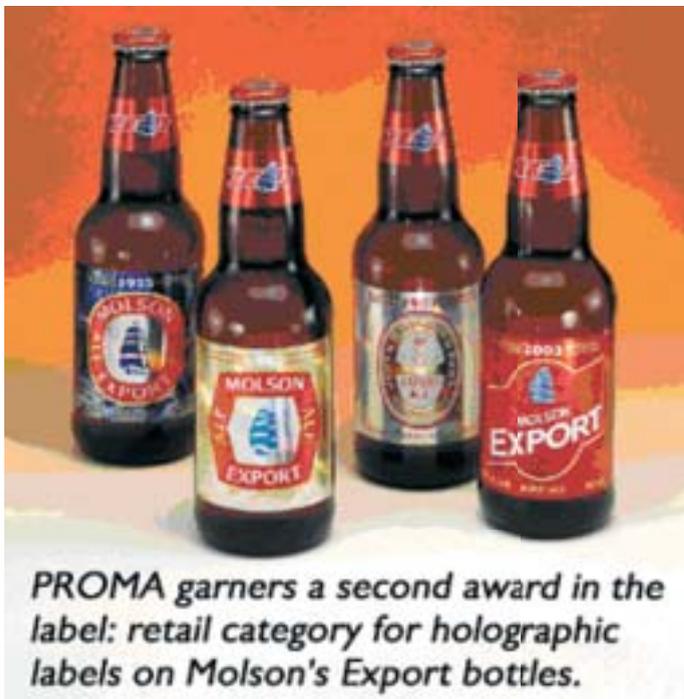
- 3) **Inherent use of holography AGAINST COUNTERFEIT helps to build in levels of security and authentication** – In reality, all products are subject to counterfeiting. Counterfeiting and tampering can undermine consumers trust in the quality and safety of a branded product, leading to a loss in market share. Due to the inherent nature of the hologram, it prevents tampering and counterfeiting. Hence proper holographic packaging on consumer goods serves an important way for brand protection and also protection of the brand’s integrity.

For e.g. According to estimates, counterfeiting costs the global pharmaceutical industry billions of dollars each year and the U.S. pharmaceutical companies are not immune. In 1989, Glaxo welcome (then Glaxo) discovered that its ulcer-treatment drug Zantac distributed in the United Kingdom was being counterfeited. The dupe’s packaging was so good, said a Glaxo representative, that it literally took a magnifying glass to prove that it was counterfeit. To prevent this from happening again, Glaxo started using a holographic tamper-evident closure seal

for packages sent to the UK and told users that the appearance of a hologram denotes authenticity.

4) Greater impact at the point of sale as they differentiate package from the competition due to new and INNOVATIVE PACKAGING METHODS

For e.g. When Nicolas Feuillatte was considering a unique package to display its champagne for the 2005 holiday season, they decided to use holography. The basic idea was to create a package that would make its brand stand out in a category specially known for its stunning packages. What made this package unique was the innovative way in which the holographic film was incorporated into the package, producing a dramatic and strikingly beautiful and attractive box.



PROMA garners a second award in the label: retail category for holographic labels on Molson's Export bottles.

5) ENHANCED AESTHETICS ensuring a Premium look - In the end, it is important to realise that the advancement of printing and packaging technologies is not only benefiting manufacturers, it is also helping counterfeiters. The use of holography is a cost-effective way of countering which, also, adds to the attractiveness of the package. Across the whole range of packaging applications, there is no more creative or secure medium than holography. **Hologram and Holographic effects have proved themselves successfully for packaging of branded products, foods, pharmaceuticals & hi-tech products and promotions for many years. These catch a consumer's attention and also prevent someone from devising a similar package.** To combat illegal

duplication of a product, companies need to incorporate holographic effects into packaging and develop unique holographic designs that will serve as a "visual cue of authenticity" that will be easily recognizable by users. Manufacturers must stay one technological step ahead of counterfeiters, and that step is holography.

New developments with innovative holograms

Korean company JINSUNG SNT has developed a hologram product, Nanogram HiMax, with a resolution ten times higher than that of conventional holograms – the images are brighter and the 3-D effects more defined. Also it can be produced as a 100% paper hologram for applications such as security labels; it is also environmentally friendly because of its 100% recyclability.



Application of the Nanogram HiMax goes beyond security labels. The hologram can also be used as state-of-the-art optical lens film. UV printed with a water base primer coating, the film can be applied on materials such as carton board and paper, and used as hologram product boxes, shopping bags, promotional marketing



displays, or even interior wallpaper. For packaging, the holograms can help attract attention to the product. At the same time, the hologram makes a box as an effectively secure package. This takes packaging security to another level. Most holograms today are printed on small stickers and labels, and then stuck to a corner of the package, or on the lid opening. But with holographic packaging, you cover more of the package's surface with holograms, making it harder to counterfeit.