

SMART CHAIN

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THOUGHT LEADERSHIP WITH THE BIGGEST NAMES in PACKAGING

BY ABBY WINTERBURN

Explore how
restaurant operators
overcome packaging
challenges.

Innovations, Challenges, and Thought Leadership on Food Packaging

Highlighting industry experts' knowledge of food packaging.



Packaging plays a crucial role in shaping the customer experience, protecting food quality, and maintaining brand integrity. In this issue of Smart Chain, we spotlight food packaging with insights from top industry leaders, exploring packaging advancements that drive brand awareness and satisfy customer needs.

Food delivery is the most popular way to engage with a restaurant in the U.S.—in the past month, 70 percent of consumers reported ordering delivery, according to Doordash. Due to this, reliable packaging is of the utmost importance to maintain food quality during transit. Restaurant operators often struggle to invest in quality packaging due to tight budgets and rising operational costs, but turning to industry thought leaders can provide valuable insights and guidance to help make informed decisions and bridge these gaps effectively.

To address these concerns, we've gathered insights from leading experts at Accurate Box Company, Anchor Packaging, Continental Cups, Huhtamaki, and Inno-Pak. Their knowledge reveals how technological advancements, consumer insights, and trusted partnerships are shaping the future of foodservice packaging in the quick-service restaurant industry.

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Accurate Box Company

MARK SCHLOSSMAN

Executive Vice President of Sales and Marketing for Accurate Box Company



ACCURATE BOX COMPANY

“Packaging is now seen as an extension of the brand, and consumers expect it to reflect the brand’s values and personality.”

What are the biggest challenges for quick-service restaurants with packaging today?

SCHLOSSMAN: Sustainability is a major concern, as consumers and regulations demand more eco-friendly packaging. Durability and functionality are also significant issues, especially with the growth of takeout and delivery services. Packaging needs to be strong, prevent leaks, and maintain food quality while being lightweight, cost-effective, and sustainable.

How are these challenges impacting the industry?

SCHLOSSMAN: Restaurants must invest in eco-friendly initiatives, despite the expense and challenges of transitioning to sustainable materials. Durable and

functional packaging is also essential for a positive customer experience, as poor packaging experiences can damage a brand’s reputation and can lead to lost customers and reduced loyalty.

What do you think will be the biggest challenges and opportunities for quick-service restaurants in the next 10-20 years?

SCHLOSSMAN: The industry will face rising costs, increasing competition, changing consumer preferences, technological advancements, and environmental concerns. Evolving environmental regulations will likely present the biggest challenge with governments tightening restrictions on single-use plastics. This is driving urgency around finding innovative materials, but this also presents an opportunity to gain a competitive edge and build consumer loyalty through transparent, eco-friendly packaging practices. Adapting to these shifts will be crucial for long-term success.

How are operators addressing these challenges effectively?

SCHLOSSMAN: To manage costs, operators streamline operations, optimize inventory, and craft menus carefully. They are also leveraging their buying power to negotiate better deals with suppliers and explore new packaging technologies and materials. In addition, restaurants are differentiating themselves through unique branding and partnerships with influencers or other businesses.

What mistakes do operators make with packaging?

SCHLOSSMAN: Packaging plays a crucial role in protecting products, brand marketing, and enhancing the consumer experience. Operators are receiving feedback about flimsy packaging leading to disorganized food during transportation, resulting in negative customer experiences and hurting brand perception.

What key tasks are being enhanced through packaging?

SCHLOSSMAN: Packaging is a valuable tool for branding and marketing, communicating a brand’s identity, message, and value proposition. Well-designed packaging can attract attention, create desire, and set a product apart from

competitors. It also provides essential information like ingredients, instructions, and warnings, while efficient design can reduce costs and streamline logistics.

How have customer expectations for packaging changed in recent years?

SCHLOSSMAN: Packaging is now seen as an extension of the brand, and consumers expect it to reflect the brand’s values and personality. This includes visually appealing designs, high-quality materials, and consistent branding. As consumers become more accustomed to personalized experiences, they enjoy packaging with customized messages or limited-edition designs.

How should operators communicate to consumers that their needs are being met?

SCHLOSSMAN: Restaurants should use clear, transparent messaging and consistent branding across communication channels to convey how they are meeting consumer needs. Social media campaigns can be used to share initiatives, engage with consumers, or even feature videos showcasing behind-the-scenes efforts. This helps create a positive brand reputation and foster long-term customer loyalty.

Anchor Packaging

KURT RICHARS

Director of Marketing for Anchor Packaging

What are the biggest challenges for quick-service restaurants with packaging today?

RICHARS: The biggest packaging-related challenges restaurants face today stem from choosing containers on price instead of performance.

Consider the significant investment to develop and produce a great menu and win an order. For many customers, the meal is their first experience, where repeat customers expect dine-in quality. Packaging performance directly impacts what customers experience, and consequently, their impression of food quality and the brand. It is

all about the food! Investing in packaging that protects dine-in quality off-premise will help create repeat customers and positive word of mouth.

How are these challenges impacting the industry?

RICHARS: Today's environment creates significant opportunities for operators who prioritize protecting food quality. Consumers are still going out but are more selective. To win more meals, operators must consistently serve great food experiences. Packaging choice directly impacts this.

What mistakes do operators make with packaging?

RICHARS: The biggest mistake is not intentionally experiencing their food like their customers do. Your food is fantastic when freshly plated, but did you taste it after 15 minutes in transit – or even 30 minutes later?

Today, the majority of meals are consumed off-premise and travel 15-30 minutes after being packaged. Customers want delicious food to go and nothing should distract from a great experience. Protecting temperature, texture, and taste protects loyalty and builds traffic. Put your packages to a full off-premise test—load and drive your food around for 15-30 minutes before opening. Is the presentation still appealing? Does the food still taste great? Test it to be sure.

What key tasks are being enhanced through packaging?

RICHARS: Packaging says a lot about your food, your brand, and your interest in providing an exceptional experience – whether dine-in or dine-out. Serving a delicious \$15 chicken sandwich and fries in a container meant for storing leftovers creates a poor dining experience. It will not produce repeat orders but may lose a customer. On the other hand, choosing a container that delivers a dine-in experience will win more meals.

How have customer expectations for packaging changed in recent years?

RICHARS: Consumers expect food-to-go to taste as good as dine in. Quality and value are the top considerations when deciding where to order carryout or delivery next. Customers also want



“Consumers expect food-to-go to taste as good as dine in.”

operators to make it easy to avoid waste and prefer recyclable options.

Why is partnering with a trusted brand more crucial now than ever?

RICHARS: Trusted brands deliver innovation, security of supply, and consumer insights critical to succeeding off-premise. Importantly, they also bring solutions that benefit operational efficiency and reduce waste. Today, there is less margin for error as costs are high and consumers are less forgiving. A trusted supplier can help operators solve these problems and improve unit economics, not just package food.

Continental Cups

RICH REUTTI

Vice President of Sales for Continental Cup

What are the biggest challenges for quick-service restaurants with packaging today?

REUTTI: In conversations with quick-service restaurants, the most common challenges are raw material inflation and the impact on menu prices and profitability. Additionally, low labor availability and cost.

How are these challenges impacting the industry?

REUTTI: Higher raw material costs mean higher retail prices, which drives loyal customers to look at other alternatives. Lack of motivated labor means much higher managing levels to get the same work done and a lot more turnover, requiring more management time.

What do you think will be the biggest challenges and opportunities for restaurants in the next 10-20 years?

REUTTI: Integrating AI & automation into the customer experience while keeping the human touch which drives customer retention. Understanding how to work Dark Kitchen into your model.

How are operators addressing these challenges effectively?

REUTTI: Some operators are employing new hiring techniques and being much more discerning in their employee choices to be more technically savvy to help drive retail solutions.

“The biggest thing as an operator is to be open to innovation, new ideas, and different solutions that can help you expand your influence with your clients and build a trusted name.”

What mistakes do operators make with packaging?

REUTTI: Most brands make the packaging decisions for operators. As such operators need to wisely develop contacts with the appropriate team members at corporate to understand their needs and desires at the operational level.

How have customer expectations for packaging changed in recent years?

REUTTI: Many consumers want sustainable packaging as the media pushes the narrative. The challenge comes in re-educating customers on their expectations for packaging and our

waste system's ability to effectively manage their stream, as those who are pushing the narrative are typically incorrect.

How should operators communicate to consumers that their needs are being met?

REUTTI: Operators can not communicate to a customer that their needs are being met. They can ask if the changes are meeting their needs and expectations. Then develop educational pieces to show that they are indeed meeting the needs. But the consumer must always be the first link in the chain.

What misconceptions exist about packaging today?

REUTTI: That all paper is recyclable and all plastic goes to the landfill.

Why is partnering with a trusted brand more crucial now than ever?

REUTTI: Due to the heavy influence of the internet and social media consumers are more skeptical and likely to think "corporations" are only out for their own good. Trusted brands and brands with good social scores are less likely to have lasting issues when an issue arises.

Is there anything else you would like the QSR audience to know?

REUTTI: The biggest thing as an operator is to be open to innovation, new ideas, and different solutions that can help you expand your influence with your clients and build a trusted name.

Huhtamaki

JASON HOFMEYER

Senior Product Manager for Huhtamaki

What are the biggest challenges for quick-service restaurants with packaging today?

HOFMEYER: A challenge in restaurants is finding packaging solutions that meet broad sustainability requirements, while not increasing costs. Good packaging legislation enacted at a federal



• HUHTAMAKI

“The demand for food delivery has surged, increasing the need for packaging that can maintain food quality during transit.”

level would be effective at helping restaurants make impactful decisions. Trying to meet regulations at a state, county, or municipal level is difficult for operators to navigate.

Another challenge for quick-service restaurants is finding ways to increase traffic during inflationary times.

How are these challenges impacting the industry?

HOFMEYER: Quick-service restaurants are asking suppliers for options to save money, making it the perfect time to optimize structures and find creative ways to reduce costs. Operators and brands are also looking to build stability within the supply chain through strategic relationships and agreements. At the same time, restaurants are seizing the opportunity to optimize packaging for improved efficiencies and simplicity, which helps combat labor challenges and added complexity behind the counter.

What do you think will be the biggest challenges and opportunities for quick-service restaurants in the next 10-20 years?

HOFMEYER: The biggest challenge and opportunity will be developing packaging that meets the legislative requirements across the country. Suppliers that can meet these requirements first will win.

What mistakes do operators make with packaging?

HOFMEYER: Operators are cost sensitive when it comes to packaging spend. However, they sometimes overlook the full system cost of packaging. In the high-velocity environment of quick-service restaurants, back-of-house speed is critical. Packaging that meets these speed requirements can result in lower overall system costs.

What key tasks are being enhanced through packaging?

HOFMEYER: Brands and operators are prioritizing packaging solutions that enhance order accuracy, such as using menu tabs or ensuring the visibility of food. This helps in reducing errors and improves customer satisfaction.

How have customer expectations for packaging changed in recent years?

HOFMEYER: The demand for food delivery has surged, increasing the need for packaging that can maintain food quality during transit. This means packag-

ing must be designed to keep food warm and prevent it from becoming soggy. Effective packaging is essential to ensure that food arrives at the customer's doorstep in the same condition as if served in the restaurant. This involves using materials that provide insulation and moisture control, as well as proper ventilation.

How should operators communicate to consumers that their needs are being met?

HOFMEYER: Brands that effectively communicate and engage with their customers often do so through reward programs and apps. Operators should advocate on behalf of their consumers with their suppliers. Having a strong, reliable supplier network that fosters transparency will enable operators to communicate the needs of their consumers effectively.

Is there anything else you would like the quick-service restaurant audience to know?

HOFMEYER: The packaging industry is constantly evolving to address the demand for sustainable solutions that maintain food integrity and remain cost effective. This is a significant challenge, and collectively we must concentrate on finding ways to meet these requirements while allowing adequate time for innovation and development.

InnoPak

NATHAN KRAATZ

Marketing Specialist for InnoPak

What are the biggest challenges for quick-service restaurants with packaging today?

KRAATZ: Quick-service restaurants today face many challenges, many of them similar to last year. Inflation is, of course, one of their key concerns. As the cost of labor and doing business increases, this creates other challenges in the form of trying to maximize efficiency, lower costs, and compete for attention and market share.



“Good packaging can protect taste, texture, and temperature while enhancing the perception of the value of your food and your business.”

How are these challenges impacting the industry?

KRAATZ: Consumers are asking hard questions about where and how they spend their dollars. Restaurant operators will have to continue to win their customers' dollars.

What do you think will be the biggest challenges and opportunities for quick-service restaurants in the next 10-20 years?

KRAATZ: Cost pressures will continue to rise. We are just now seeing the beginning of the green wave of sustainability regulations affecting the industry. More and more states, cities, and counties are going to regulate this issue, and we cannot rule out federal legislation or regulations on the topic.

How are operators addressing these challenges effectively?

KRAATZ: Operators are finding ways to get value out of every dollar they spend, including on their food packaging, to win in this market. They're also figuring out how to meet the challenges of multiple, sometimes conflicting, regulations.

What mistakes do operators make with packaging?

KRAATZ: Some operators are trying to cut back on packaging too much. Food packaging is a vital component of any restaurant business. At a minimum, food packaging enables you to bring your products to market. When done well, it also helps operators outperform competitors.

What key tasks are being enhanced through packaging?

KRAATZ: Good packaging can protect taste, texture, and temperature while enhancing the perception of the value of your food and your business. Well-designed packaging helps with operations by simplifying processes performed by employees and customers alike.

How have customer expectations for packaging changed in recent years?

KRAATZ: Customers expect their packaging to be more sustainable than ever before. They're still learning about how to recycle and commercially compost things, but they know that they want more sustainable packaging.

How should operators communicate to consumers that their needs are being met?

KRAATZ: Sustainability isn't an end goal, it's a journey. When talking to customers, you can tell your journey as a story to your customers. The choices that you made and the results you are seeing can all be part of that story.

What misconceptions exist about packaging today?

KRAATZ: The biggest misconception we see is that packaging doesn't bring much value. Some businesses forget how valuable packaging can be and neglect to update it or make the most of it. It's an opportunity to make a good impression and, in an age of food delivered by third parties, it could be your first impression.

Why is partnering with a trusted brand more crucial now than ever?

KRAATZ: Authenticity and trust are key to any business relationship. Now, more than ever, it's important to work with businesses that you trust to bring value to the relationship.