



Clarity and Microwaveability Drive Demand with Both Buyers and Sellers

Research Explores Consumer and
Retailer Preferences in Packaging

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Milliken recently set out to quantify consumers' preference for food products in clear and microwavable packaging, that is, packaging made with Milliken's NX™ UltraClear™ Polypropylene. They also interviewed store buyers from several stores to understand the benefits of clarity, microwaveability and freezability in packaging from the food retailer point of view.

This research tested packaging of in-store prepared fresh foods, such as salads, sandwiches, entrees, rotisserie chickens and the like. The results could be generalized to any food product that offers visual appeal to the consumer.

Consumers Prefer Clear Packaging and Microwaveability



The research showed that clear packaging that offered high aesthetics and a clear view of the food was greatly preferred. A majority of consumers reported being willing to pay up to \$.15 more for products in an attractive, clear package.

Microwaveability was also appealing amongst shoppers. Again, a majority of consumers reported a willingness to pay up to \$.15 more for products in a microwaveable package.

Consumers found the appeal of a clear and microwaveable container positively impacted their perceptions of the retailer. It implied that the retailer respects the customer, understands her/his desire for well-prepared fresh food, and that the retailer is not attempting to hide anything behind hazy packaging.

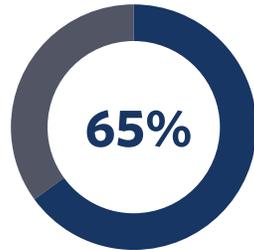
As grocery retailers continue to evolve their fresh-prepared offerings to match that of traditional food service establishments, consumers are using supermarkets like carry-out restaurants. They find prepared foods from supermarkets often less expensive. Clarity in the packaging assures them that the foods are of equally high quality. Microwaveability adds convenience.

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The Specific Results: Consumers

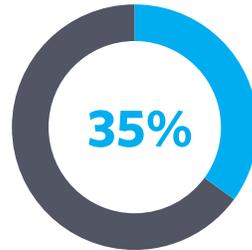
Shoppers were significantly more likely to select NX™ UltraClear™ PP packaging vs. hazy PP when shopping the shelf.

Shopping Exercise Preference



Clear PP

Significantly more likely to be preferred



Hazy Conventional

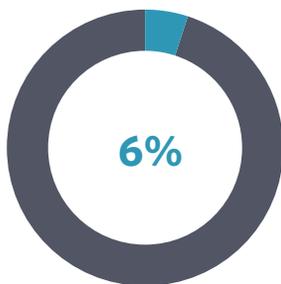
Significantly less likely to be preferred

Base: Total respondents (n=107)

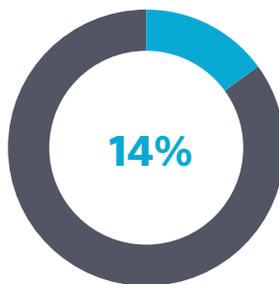
Question: When shopping for fresh prepared foods, what type of package do you prefer?

When questioned further, consumers revealed a preference for packaging that was both clear and microwaveable.

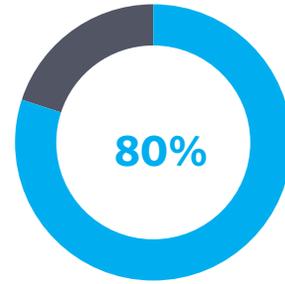
8 in 10 shoppers prefer packaging that is both clear and microwaveable.



Hazy/Microwaveable



Clear/Non-Microwaveable



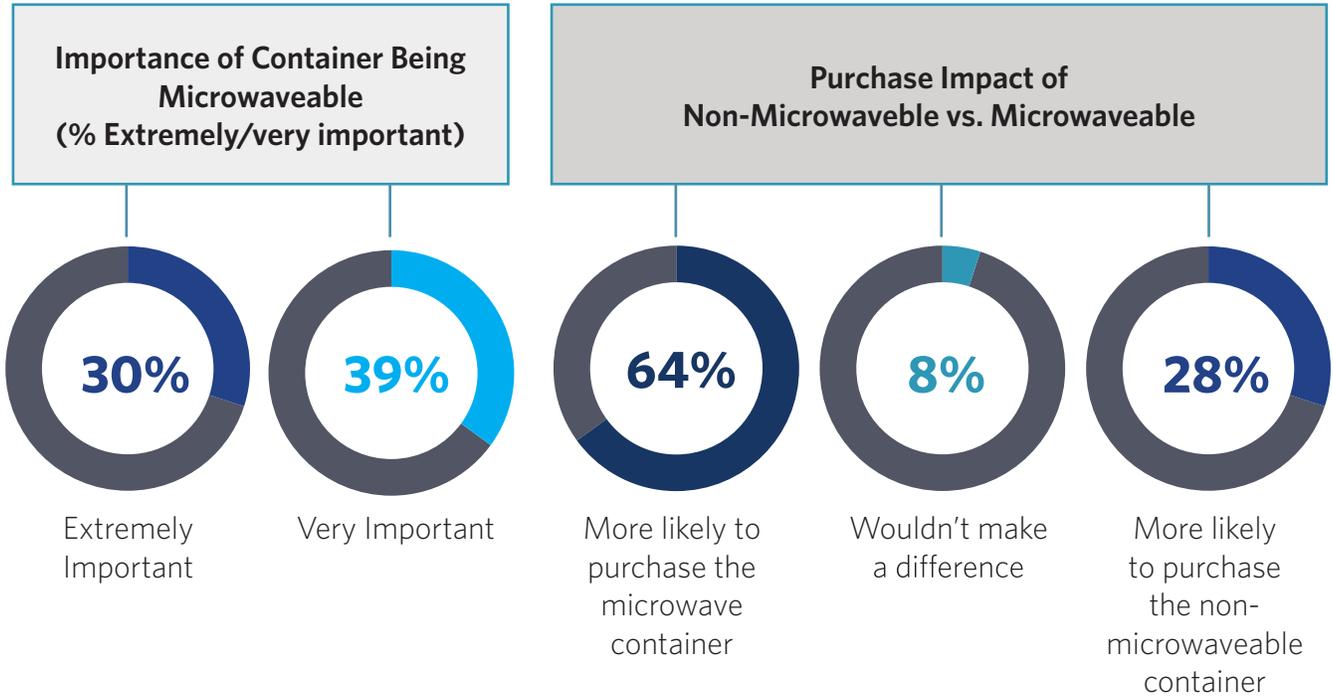
Clear/Microwaveable

Base: Total respondents (n=107)

Question: Which of the following containers would you prefer when buying fresh prepared foods at the grocery store?

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About two-thirds of shoppers are more likely to purchase a microwaveable container.



Base: Total respondents (n=107)

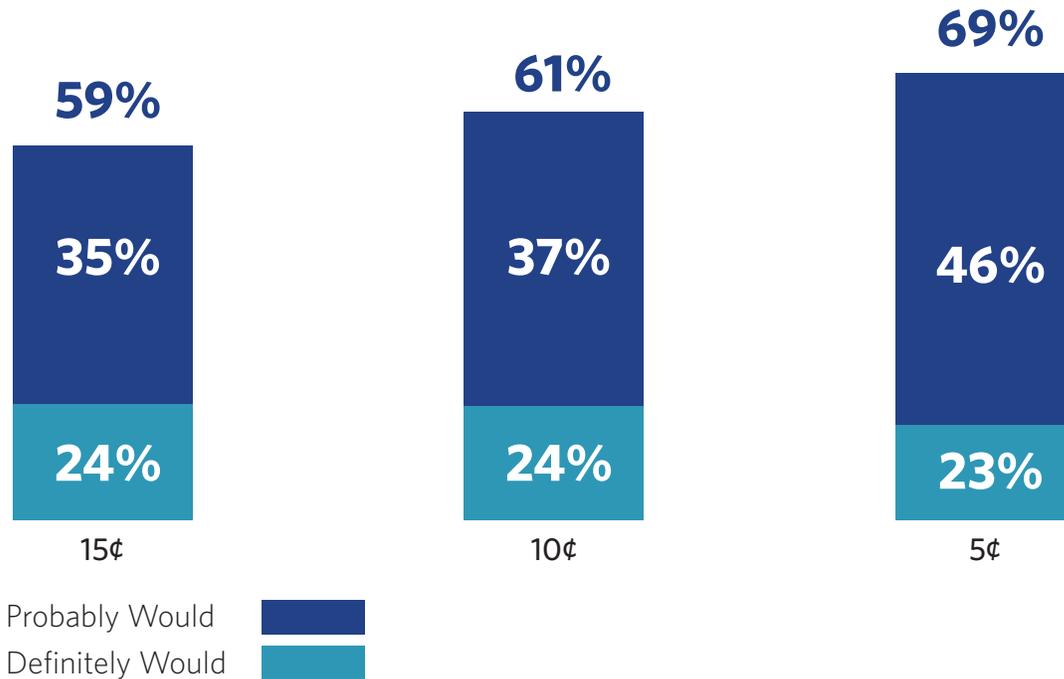
Note: 5 pt. scale where 1=Not at all important and 5=Extremely important

Question: How important is it to you that the containers for fresh prepared foods be microwaveable?

Question: If one container was clear but non-microwaveable and the other container fairly clear and microwaveable, which would you be more likely to purchase?

After the simulated shopping experience, consumers revealed via questionnaire that they would pay extra for food products in both clear packaging and in microwaveable packaging.

Most shoppers would pay up to \$0.15 extra for a clear container.



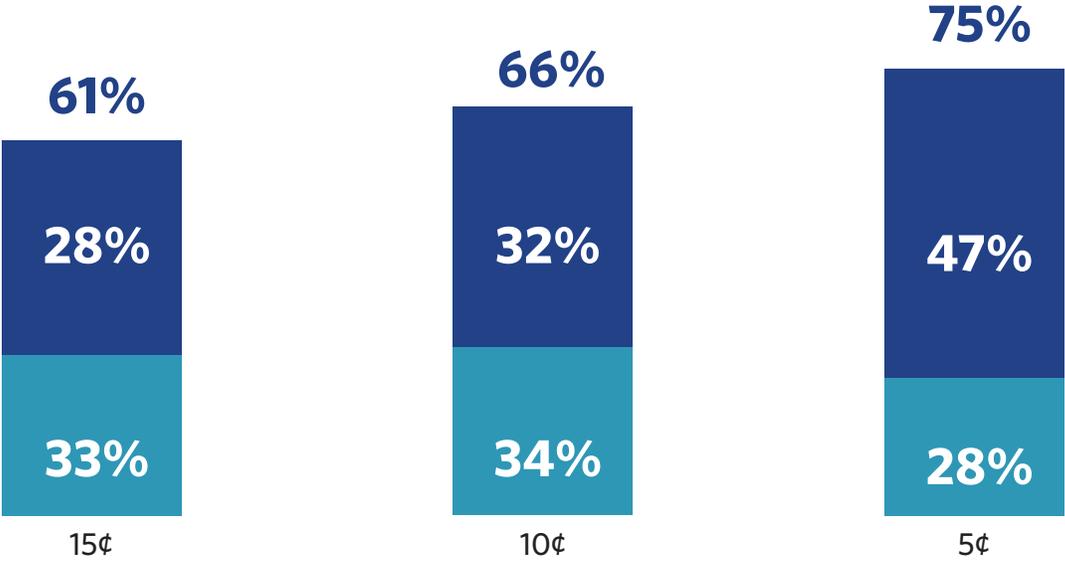
Base: Total respondents (n=107)

Note: 5 pt. scale where 1=Definitely would not purchase and 5=Definitely would purchase

Question: Question: If the products in the clear, microwaveable containers were [\$0.15/\$0.10/\$0.05] more than the same products in the clear, non-microwaveable containers, how likely would you purchase the clear, microwaveable container?

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Most shoppers would pay up to \$0.15 extra for a microwaveable container.



Probably Would 
Definitely Would 

Price Sensitivity for Clarity (% Definitely/probably would purchase)

Base: Total respondents (n=107)

Note: 5 pt. scale where 1=Definitely would not purchase and 5=Definitely would purchase

Question: If the products in the fairly clear, microwaveable containers were [\$0.15/\$0.10/\$0.05] more than the same products in the hazy, microwaveable containers, how likely would you purchase the clear container?

Our testing showed that the clarity of the packaging was more important to consumers than microwaveability. This was due to their highest priority being the ability to see and select the freshest and highest quality food product. Clarity with microwaveability added to their preference.

For buyers at food retailers, microwaveability was seen as a higher priority (see next section). However, both groups preferred packaging that combined both benefits.

Clear packaging is more important than microwaveable; a combination of both is best.

Food Expectations Based on Container

	Clear & Microwaveable	Clear & Non-Microwaveable	Hazy & Microwaveable
Would use container in the microwave	80%	9%	33%
Is more convenient	75	20	31
Would make me want to buy the food inside	60	46	15
Is appropriate for a wide variety of fresh foods	57	57	29
Is most appealing	54	45	7
Is high quality packaging	52	34	18
Would contain the freshest food	35	46	12
Would have the best tasting food	32	36	17

 = Significantly higher than other containers
 = Significantly lower than other containers

Retailers See Clear, Microwaveable Packaging Key to Driving Higher Sales

We performed 8 one-on-one interviews with buyers from mid- to high-end grocery stores in the Chicago area.

88% of retail food store buyers felt this product would increase their sales.



"Your containers seem to be higher quality and very re-usable. Our current containers are not microwaveable. Many customers come in early to pick up their lunch that they heat and eat at work. Some eat at the store. We have a great bar and restaurant area for eating all day. We would expect increased sales. Customers pick up multiple meals knowing the food is in a microwaveable container."

**- Chris, Deli Manager,
Major Supermarket**

"My customers shop with their eyes. We have our store kitchens produce high quality food that need to be packaged in great packaging. Being able to freeze and then microwave is a great feature."

**- Dan, Store Manager,
Local Supermarket Chain**

"Eye appealing. Pete's makes all its food it sells at the store commissary. We need high quality containers to support our program. Many customers come in early to pick up lunch they heat and eat at work, and their food for their evening meal. Customers will pick up multiple meals knowing the food is in a freezable, microwaveable container. Buying containers from one source, reducing inventory, one type of container in multiple size would be a dream."

**- Haseem, Prepared Foods Manager,
Local Supermarket Chain**

"In Grab and Go, eye-appealing food, fresh look, homestyle food is where Whole Foods is at. We get high margins, a premium for our quality food. We need high quality containers to support our food. Our current containers are cheap, flimsy and cause returns."

- Pat, Team Leader, Major Supermarket

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Store Buyers Rank Benefits Of NX™ UltraClear™ PP in Top 10%

MICROWAVEABILITY EXTREMELY HIGH



9.5

OUT OF 10

Grab and go lunch, reusability of package, can be frozen then microwaved.

CLARITY HIGH



9.1

OUT OF 10

Eye appealing, customer shop with their eyes, fresh look, shows off the quality of the food, some current packages are covered in labels.

FREEZABILITY HIGH



8.9

OUT OF 10

Unexpected meals, customers will pick up more than 1 meal at a time, good for older customers.

Buyers state interest in using NX™ UltraClear™ PP packaging in the following departments:

- Hot Bar
- Salad Bar/Fresh Fruit
- Deli
- Grab and Go
- Soups
- Produce
- Desserts

About the Consumer Research

- We performed quantitative and qualitative research through a one-on-one experience with the packages, onsite questionnaire and focus group.
- Product selection was set up to separate the benefits (clear and microwaveable); 3 foods were represented instead of 1 to avoid food biases.
- Product selection questions were asked during a simulated shopping experience. Pricing questions were asked via questionnaire.

- 100 quantitative participants and 15-20 follow up focus group participants.
- Males and Females ages 25-64
- Primary grocery shopper
- Shop at "higher-end" grocery stores and regular grocery stores
- Good mix of income, ethnicity, education, etc.
- No critical industry affiliation

About the Store Buyer Research

- 8 one-on-one interviews with store buyers from selected stores.
- Quantitative and qualitative research sought to understand the following benefits: (clear, microwaveable, freezeability), impact of benefits, products/store departments use of packaging.

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