



WOODLY

A large, white, stylized graphic of the Woodly logo, consisting of the word "WOODLY" in a bold, sans-serif font above two overlapping, rounded, wave-like shapes.

**Woodly Label Consumer study
2019**

www.woodly.com

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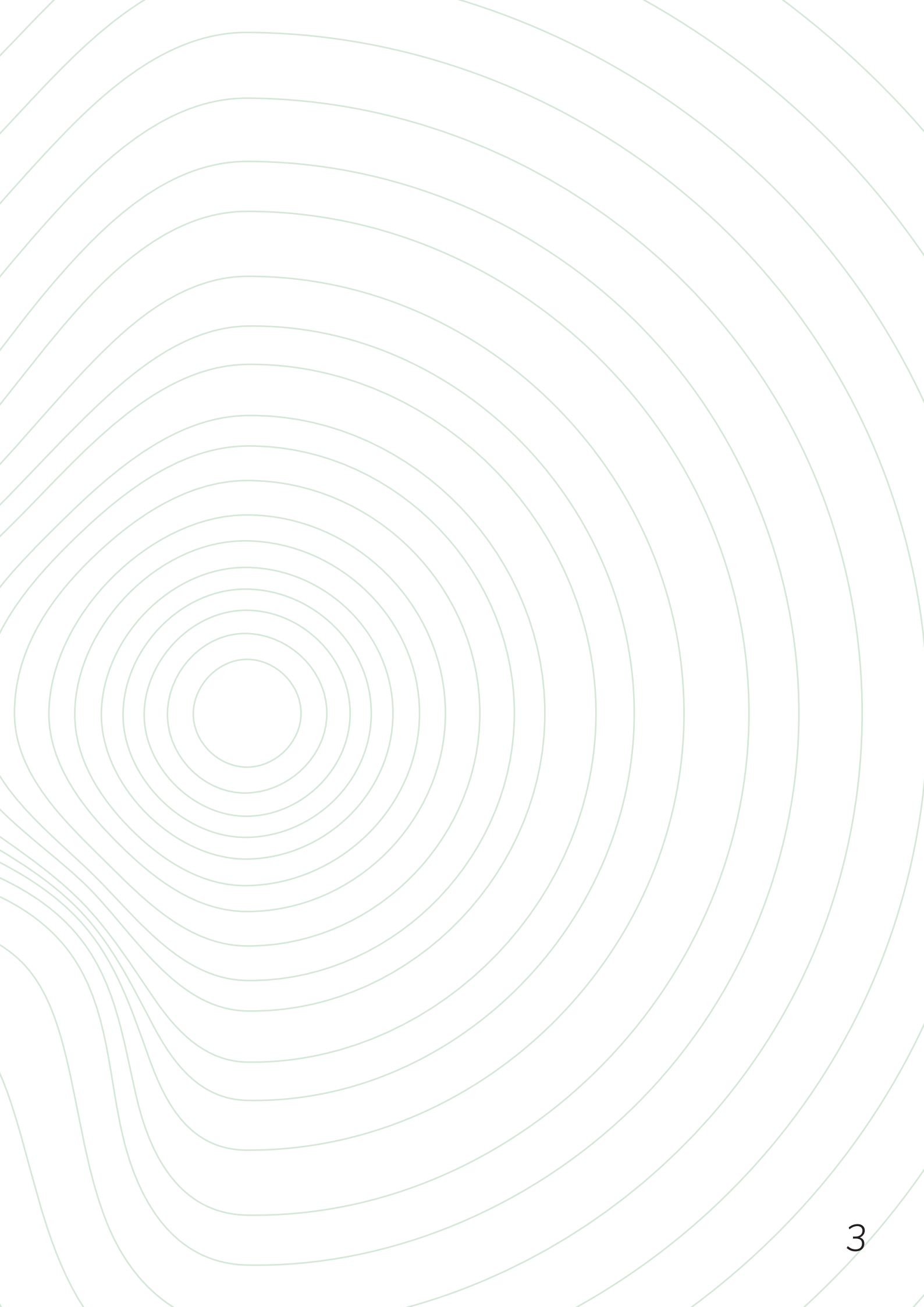
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Foreword

Packaging is everywhere. It is fundamental to the consumer lifestyle, so it is hard to imagine life without it. It serves to contain, protect, preserve and market products. It enables products to arrive from any part of the world and reach your home. It sustains the quality of products over extended periods of time without losing quality, thus reducing environmental and monetary losses. Nevertheless, packaging, particularly plastic packaging, has developed a bad reputation when it comes to its environmental impact. Regulatory and consumer demand for eco-friendly packaging, driven by the desire to combat the scourge of plastic pollution, shows no signs of slowing.

Our mission is to accelerate the shift towards an ecologically sustainable future. Our strategy is a step forward ensuring that fossil resources are replaced by sustainable, natural alternatives. In order to do that we have developed an ecological, wood-based packaging material that is suitable for replacing traditional plastics in various consumer goods.

Between 60-80 per cent of the impacts on the planet come from household consumption*. If we change our consumption habits, this would have a drastic effect on our environmental footprint as well. Households have a relatively large degree of control over their consumption, but they often lack accurate and actionable information on how to improve their own environmental performance and make better decisions. The role given to consumers to be an expert in environmental issues and ecological decision-making is problematic. The vast amount of information regarding the environmental impacts, technologies and legislations of different types of packaging is not easy to remember, compare and implement while shopping for groceries.

In our opinion the consumer does not need to be an expert in technology, science or in legislation. It is enough that the consumer recognizes the Woodly label we have developed with like-minded consumers. Our promise of better packaging options includes further developing our products and making the products with our packaging easy to understand and purchase.

The iterative process of co-creation – rethinking and redesigning with consumers – has built trust between us and the average consumer. This has been our way to involve consumers in product development and in the process, we have learned to communicate complex issues simply, truthfully and with openness.

The iterative design and research process we used is a simple concept. We interviewed and studied consumers through user research in small focus groups of 12 in several occasions with various products. We have identified user needs and generated ideas to meet those needs with a prototype for the label. Then we tested the prototype to see whether they meet the needs and standards of consumers in the best possible way. After that we took what we learned from testing and revised the label design with other focus groups.

Following that, we created a new prototype and began the process all over again until we and the consumers were satisfied that we have reached the best possible packaging label for release to the market. Over 400 consumers were developing the Woodly label with us and the result reflects the needs and wants of conscious shoppers.

* Jagodič, G. 2016. *The Impact of Media on Consumers' Environmental Behaviour*. *International Journal of Management, Knowledge and Learning*, 2, pp. 263-281.

As a result of this co-creation, we learned how consumers feel about environmental issues and concerns regarding packaging materials. We were granted an insightful journey to the mind of a conscious consumer.

According to our studies:

- consumers pay attention to product packaging materials
- the packaging material in a product affects consumer's willingness-to-pay, preferences and likelihood of purchase
- Sustainability is important to majority of consumers, but corporate promises of sustainable products and packaging are met with suspicion
- the most significant action is to communicate openly and sincerely with consumers and thus prove to be trustworthy

Woodly's features and environmental benefits were communicated with care to consumers and the communication process was refined throughout the research process. As a result of co-creation, the Woodly label encapsulates the essential core message – **better for the nature**. The label has a clear message, but it also guides the curious consumer to seek additional information from our website.

The promise of a more environmentally friendly material must be redeemed and thoroughly proven in the eyes of the consumer by providing open and truthful information that is easy to access.

In recent years many brands have sworn to adapt their existing packaging to respond to the needs of the environment. Brands communicating and educating their customers on how to responsibly use and dispose of packaging are winners of sustainability brand value in the long run. Clear messages of sustainability efforts as packaging symbols are also a solution to the problem of packaging seen as harmful to the environment. Woodly helps brands to fulfill their promises of sustainability to consumers and are forerunners in communicating it in product packaging.

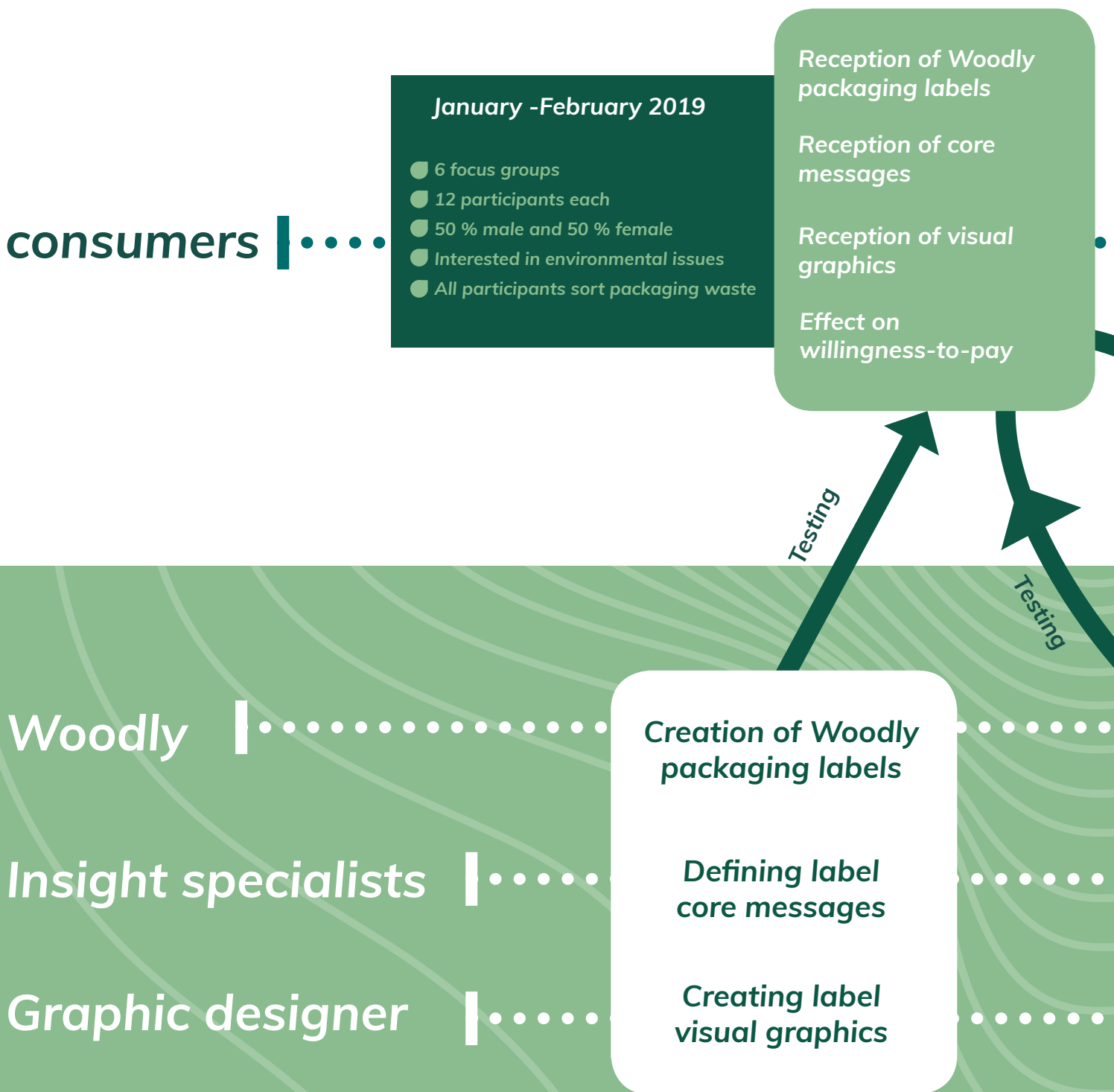
We welcome You to follow our social media and website for more up-to-date information on our product development, partnerships, new products and services.

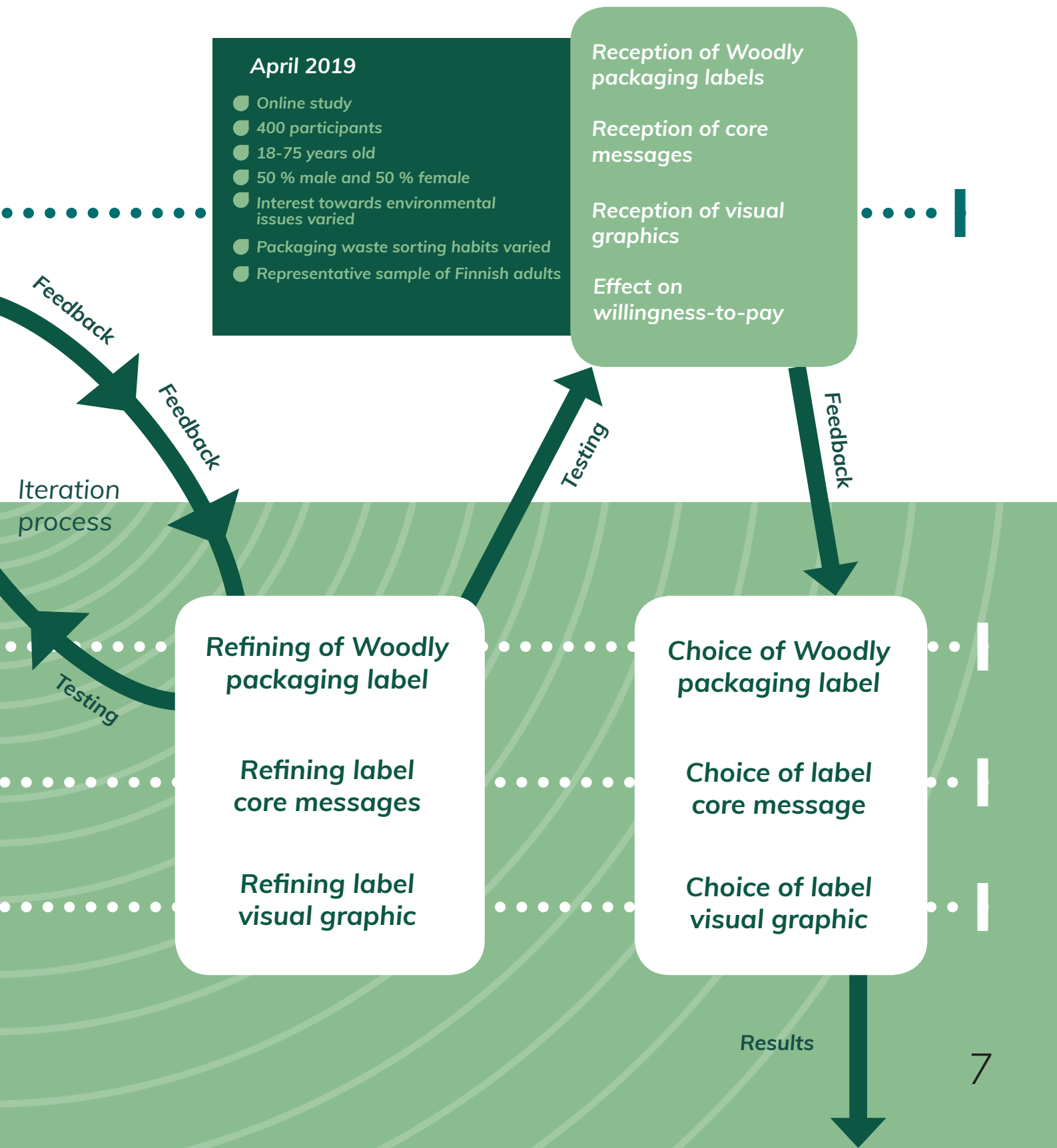
Best regards,

Jaakko from Woodly



Co-creation process of Woodyly label





About study

Woodly has developed a new, cellulose-based packaging material that can be used to replace traditional plastics in product packaging.

Together with consumers, Sense N Insight and DesignCompany Woodly has designed a packaging label for Woodly.

The goal of the online research was to find out the consumer reactions to Woodly label and what kind of effects it has on consumer perception and behaviour.

The study was carried out online with 400 respondents. The respondents were a representative sample of Finnish adults. The data was gathered between 12.4. and 17.4.

The respondents were first shown three products in plastic packages to evaluate. They were then introduced to the Woodly label and asked about their first impression. They were then shown the same packages with Woodly labels and asked to evaluate them again.





Online survey



12th - 17th of
April 2019



400
respondents



A representative
sample of Finnish
adults



Conducted by
Sense N Insight



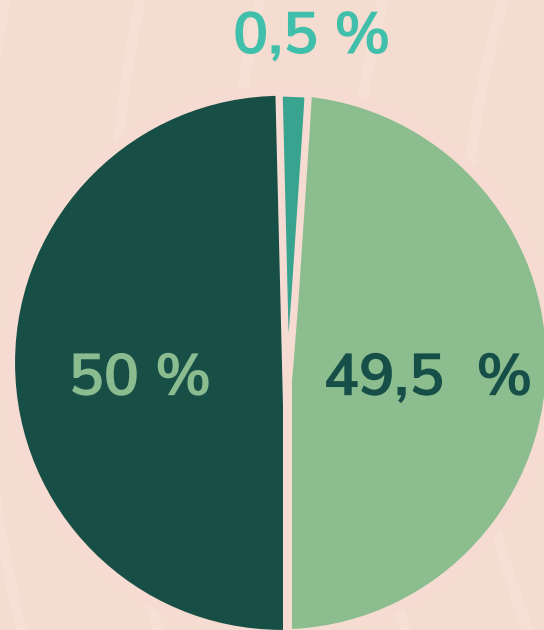
START SURVEY

Demographics

 = 400

Gender

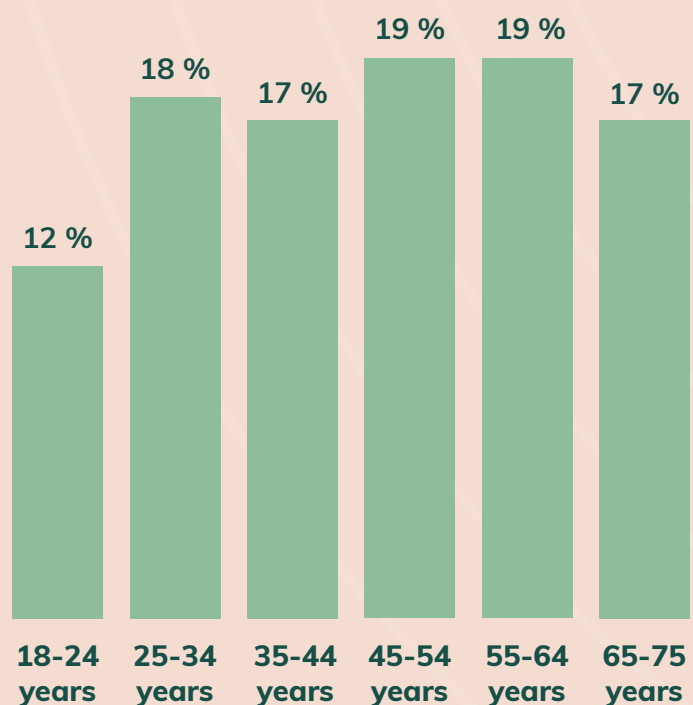
The participants were equally distributed in the study by gender, with the exception of 0,5 % of respondents who identified as **other** or did not wish to disclose gender.



Age group

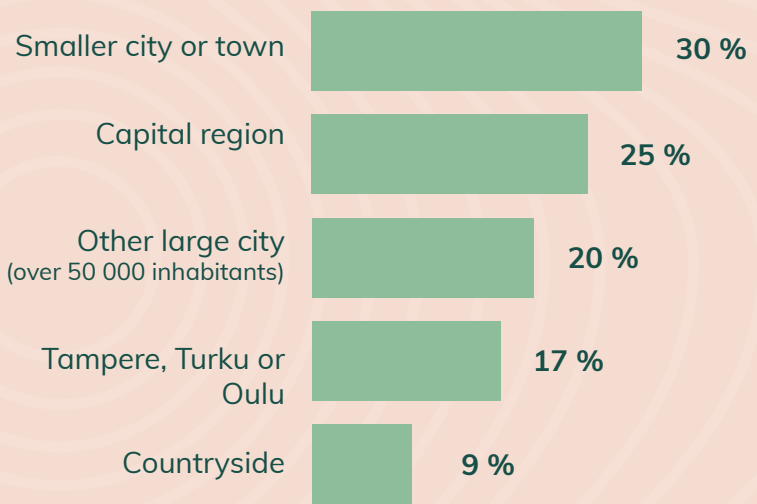
The age groups between the ages of 25 to 75 years were almost equally distributed.

The smallest age group in the study was the 18-24 year olds.



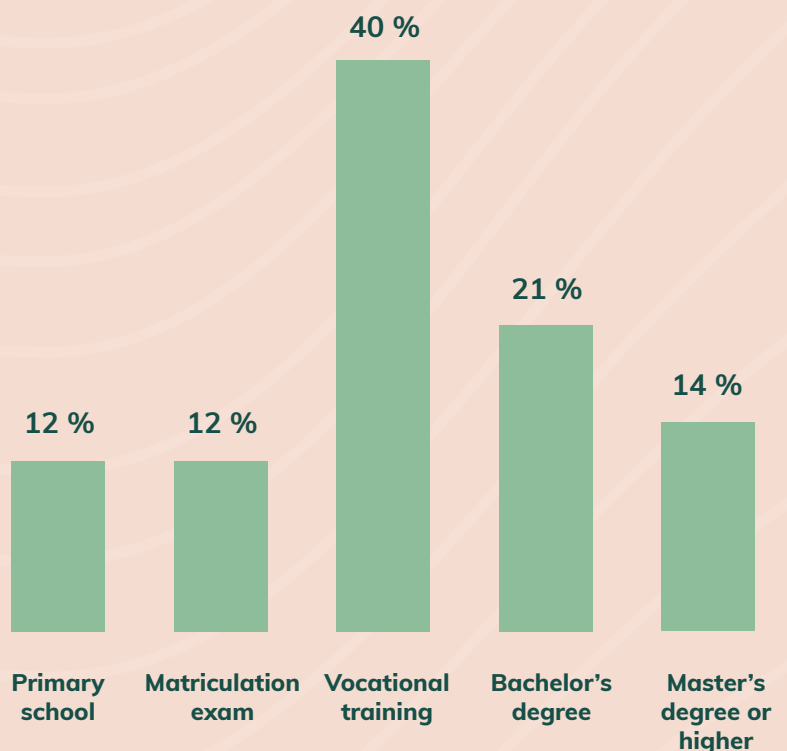
Area of residence

Most of the respondents lived in a smaller city or a town. The second largest group with a quarter of the respondents resided in the capital region.



Education

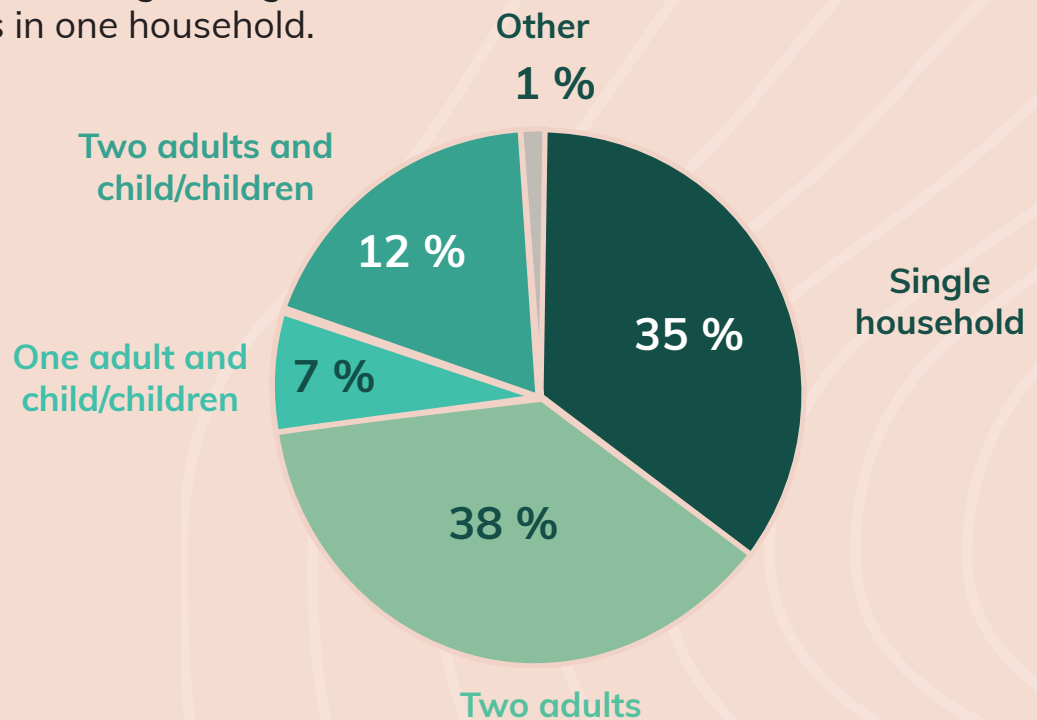
The largest group had an educational background of vocational training, The second largest had a bachelor's degree followed by 14 % of master's or doctoral degree holders.



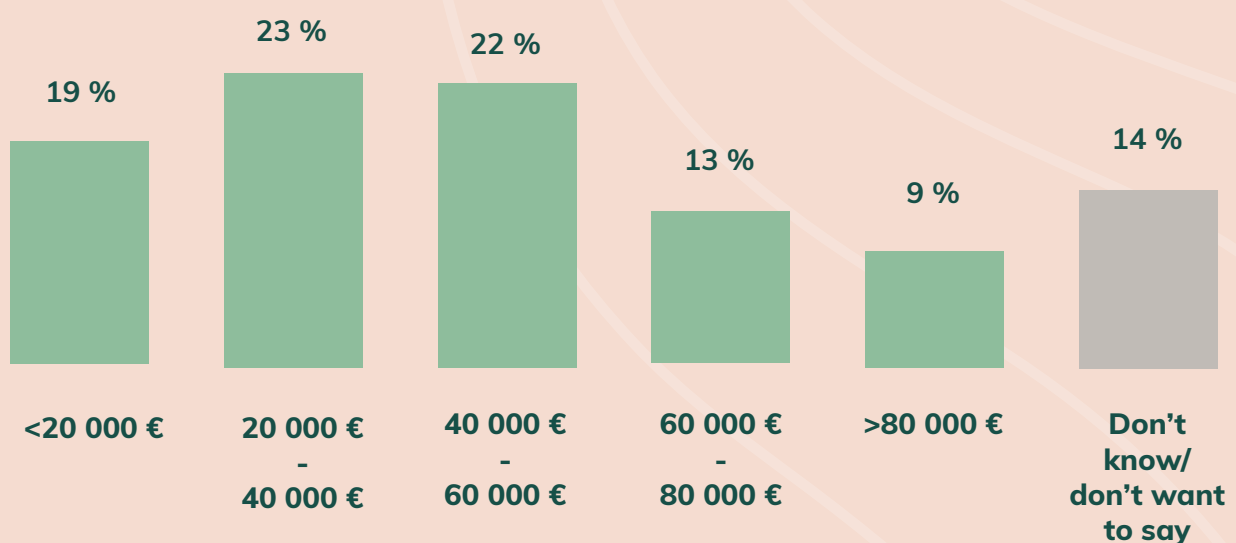
Family status

Over 2/3 of respondents lived in a household without children.

The most common living arrangement was two adults in one household.



Household income

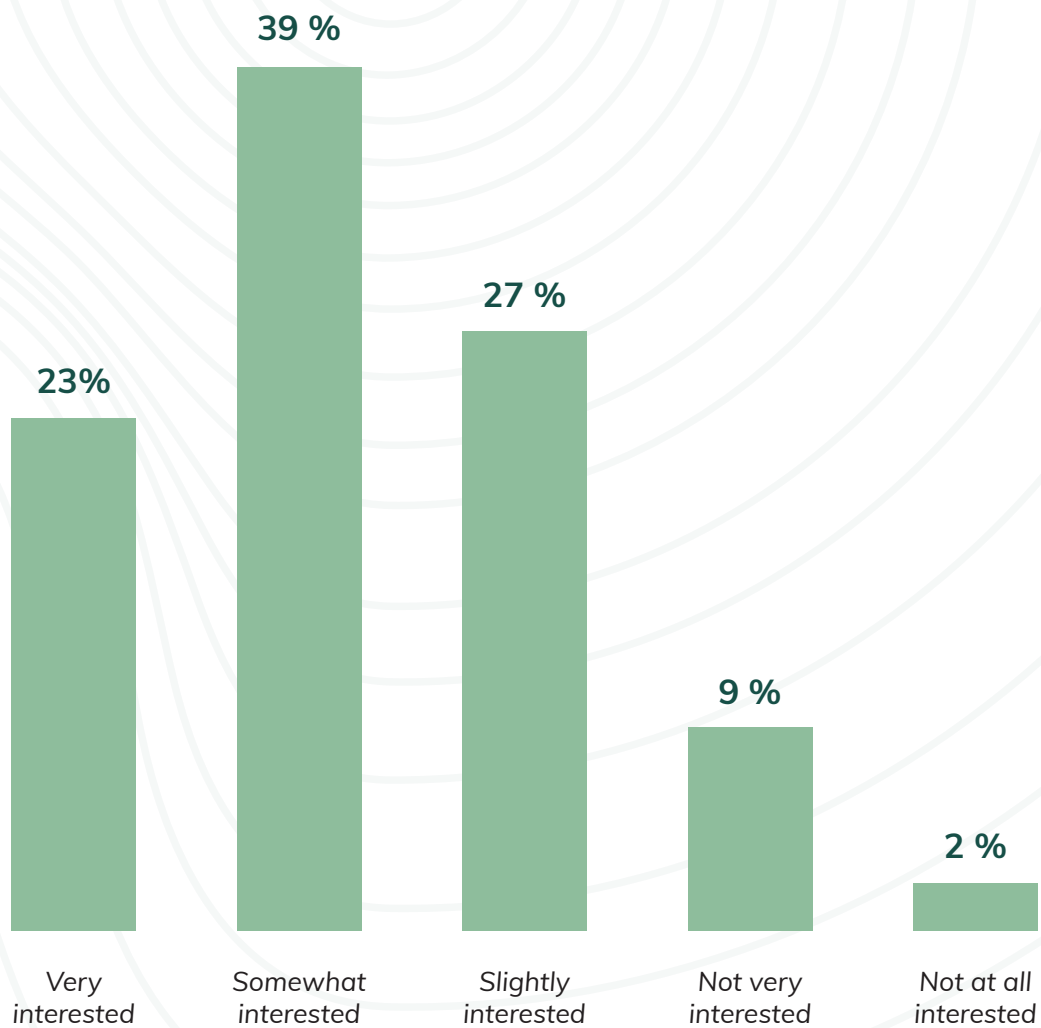


Household income of the respondents was similar to the 2017 national household income distribution in Finland. The exception was the difference in the highest income level (over 80 000 €) of 3,4 %.*



Environmental interest

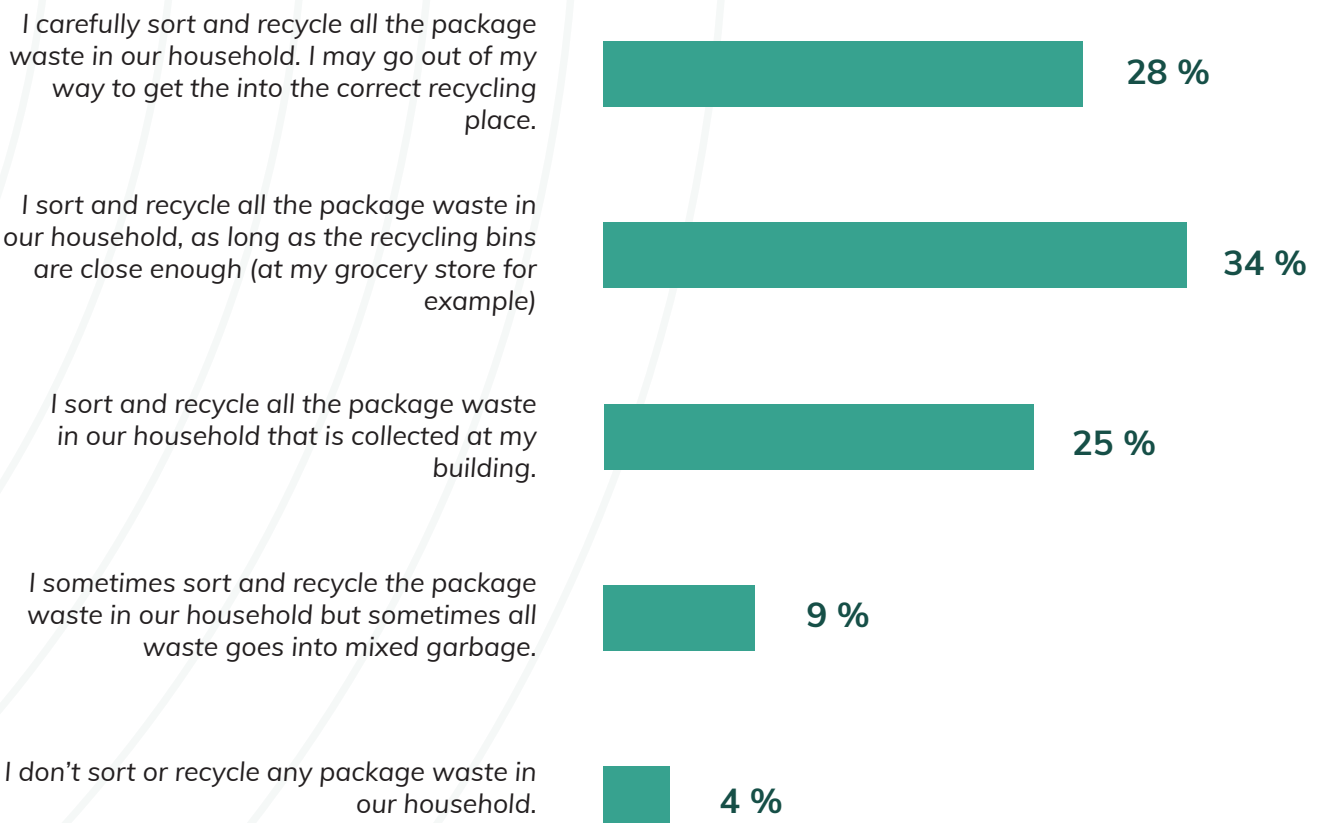
How interested are you in environmental issues?



Almost 9/10 respondents declared an interest towards environmental issues.

Sorting packaging waste

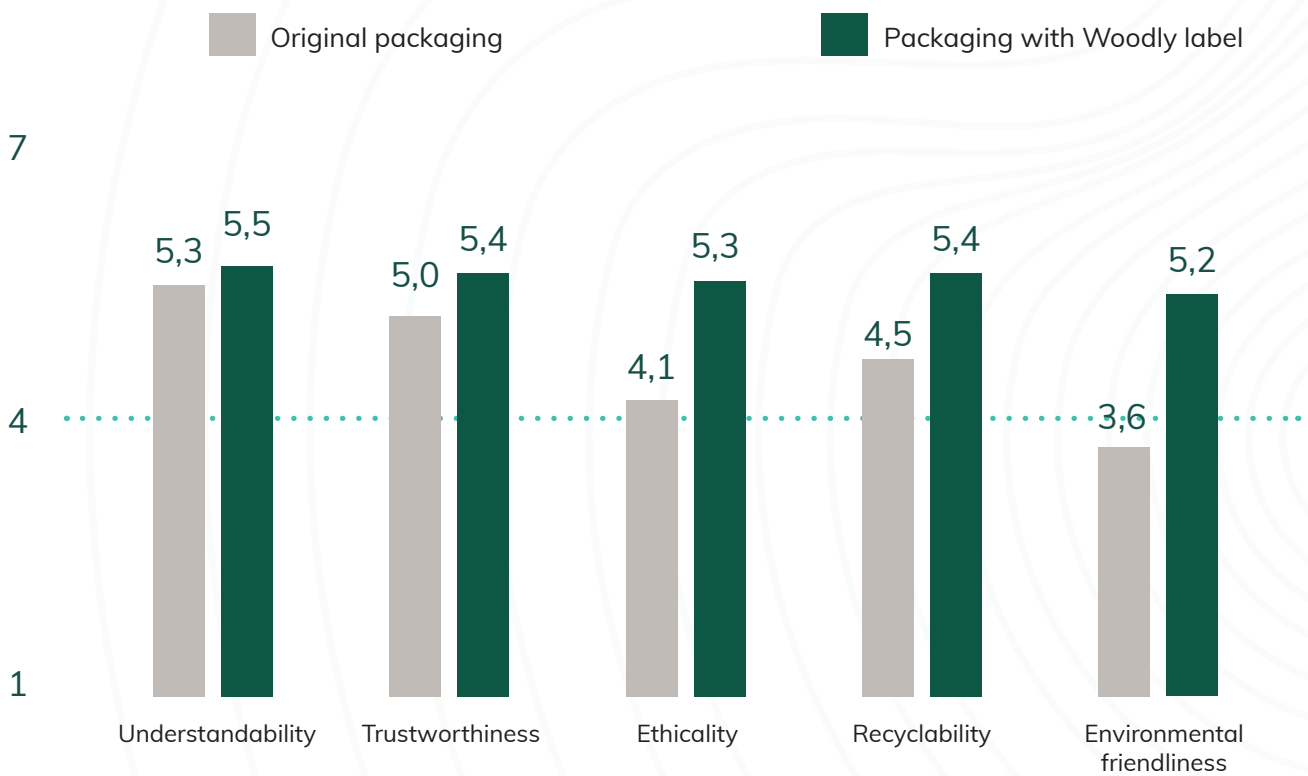
Which of the following describes best your attitude towards sorting and recycling packaging waste?



Over 60 % of the respondents are willing to go out of their way to sort their package waste even when the sorting station is not near their building or otherwise close by. Less than 5 % of the respondents don't sort their packaging waste.

Electronic consumer product

Product retail price range 9,99 € - 15,99 €



Scale

Understandability: 1= difficult to understand, 7= easy to understand

Trustworthiness: 1= untrustworthy, 7= trustworthy

Ethicality: 1= unethical, 7= ethical

Recyclability: 1= difficult to recycle, 7= easy to recycle

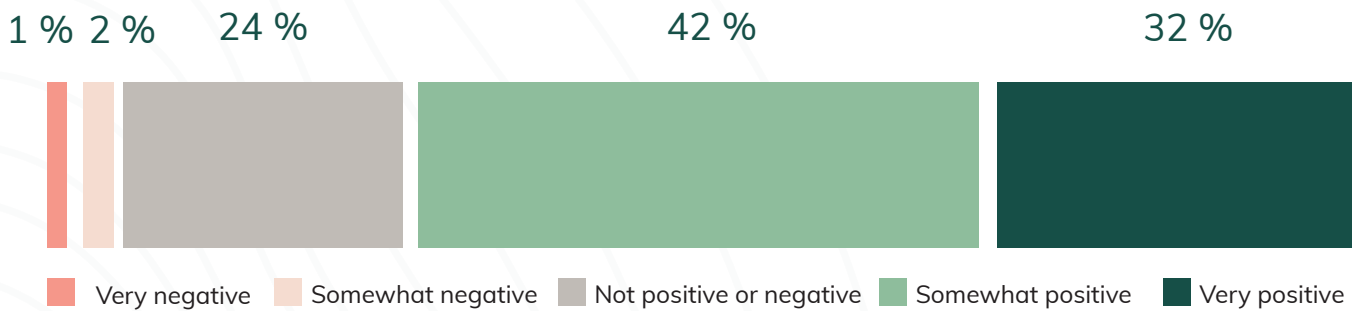
Environmental friendliness: 1= harmful to the environment, 7= environmentally friendly

Reactions to Woodyly label

Electronic consumer good

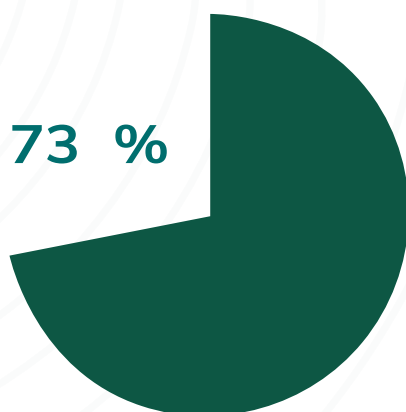


First impression



Woodyly label had an overwhelmingly positive effect on the respondents' image and impression of the packaging.

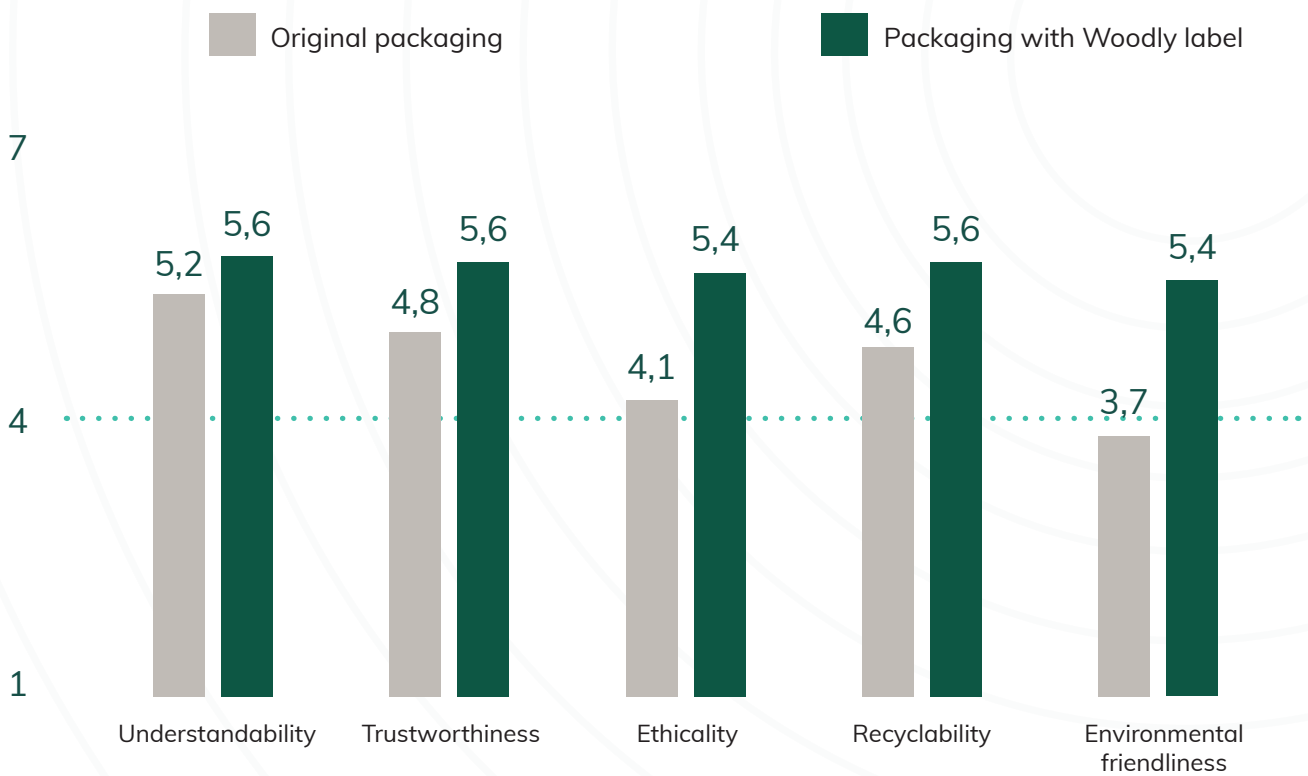
Willingness-to-pay



Over **2/3** respondents were willing to pay more for the electronic consumer good packaging with a Woodyly label compared to the original plastic package.

Fabric consumer product

Product retail price range 14,99 € - 34,99 €



Scale

Understandability: 1= difficult to understand, 7= easy to understand

Trustworthiness: 1= untrustworthy, 7= trustworthy

Ethicality: 1= unethical, 7= ethical

Recyclability: 1= difficult to recycle, 7= easy to recycle

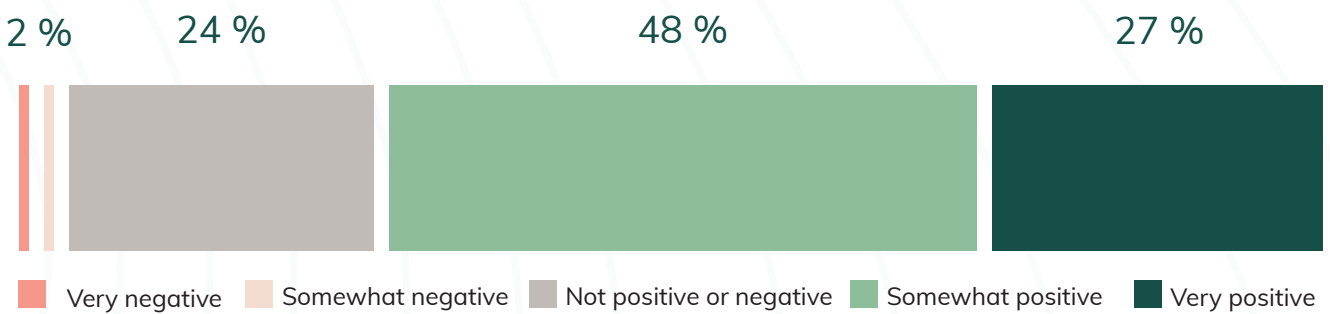
Environmental friendliness: 1= harmful to the environment, 7= environmentally friendly

Reactions to Woodyly label



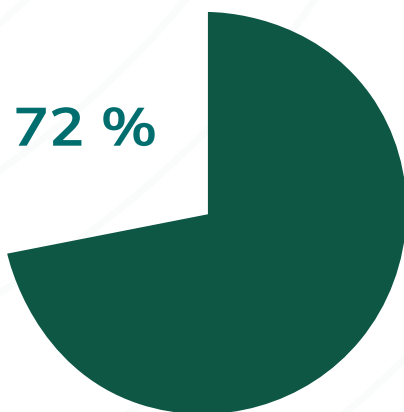
Fabric consumer product

Impression



Woodyly label had an overwhelmingly positive effect on the respondents' image and impression of the fabric product packaging.

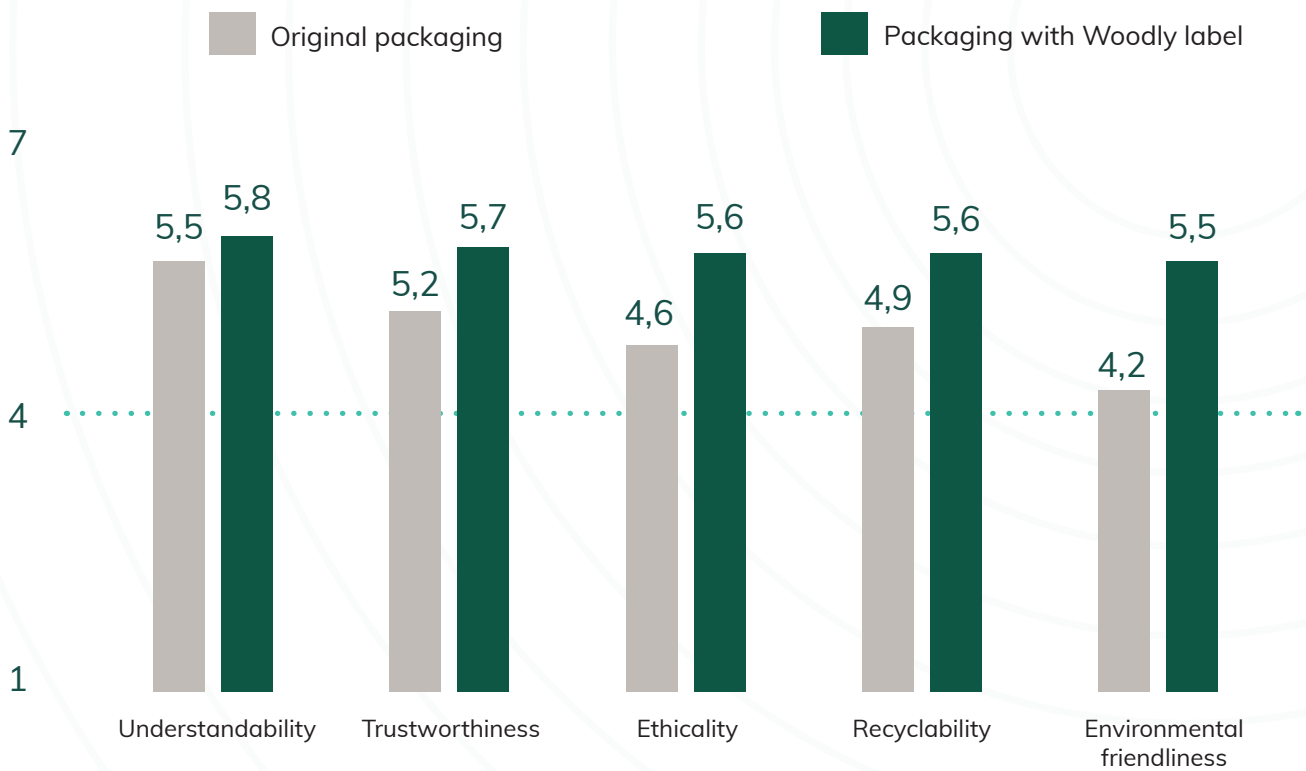
Willingness-to-pay



Over **2/3** respondents were willing to pay more for the fabric product packaging with a Woodyly label compared to the original plastic package.

Food consumer product

Product retail price range 0,99 € - 2,99 €



Scale

Understandability: 1= difficult to understand, 7= easy to understand

Trustworthiness: 1= untrustworthy, 7= trustworthy

Ethicality: 1= unethical, 7= ethical

Recyclability: 1= difficult to recycle, 7= easy to recycle

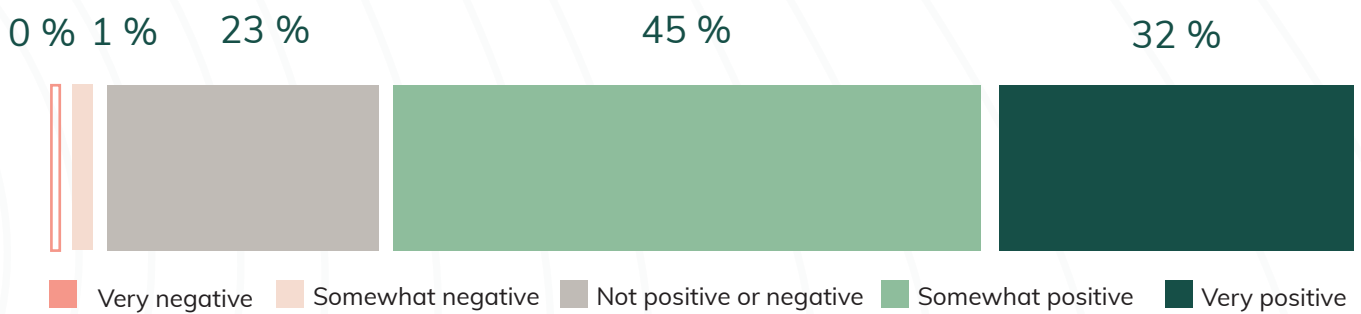
Environmental friendliness: 1= harmful to the environment, 7= environmentally friendly

Reactions to Woodyly label

Food consumer product

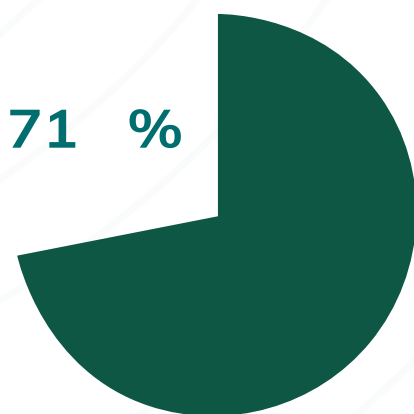


Impression



Woodyly label had an overwhelmingly positive effect on the respondents' image and impression of the food packaging.

Willingness-to-pay

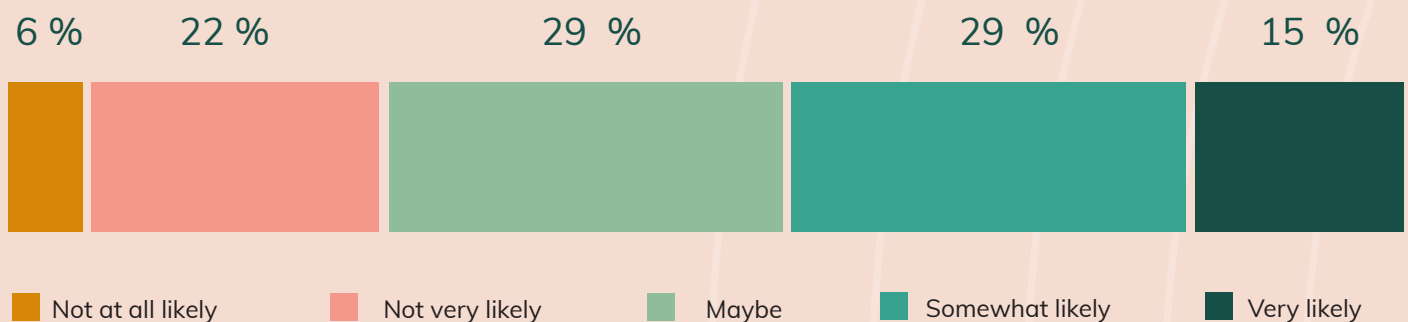


Over **2/3** respondents were willing to pay more for the food product packaging with a Woodyly label compared to the original plastic package.

Interest in Woodyly label



How likely are you to seek additional information based on this label?



44 % of the respondents would somewhat or very likely to seek additional information based on the Woodyly label.

Interest to seek additional information correlated with the respondent's higher educational background, interest in environmental issues and packaging waste sorting behaviour.

Conclusions

The Woodly label clearly increased the ethicality of a package in the respondents' minds. Environmental friendliness and other positive attributes also improved.

First reactions to Woodly were mostly positive. For most the label seemed to communicate environmental friendliness. For most it meant the Woodly packages are better options to regular plastic. The Woodly label improved the image of all the tested packages and slightly increased the willingness to pay more for the packages.

- consumers pay attention to product packaging materials
- the packaging material in a product affects consumer's willingness-to-pay, preferences and likelihood of purchase
- sustainability is important to majority of consumers, but corporate promises of sustainable products and packaging are met with suspicion
- the most significant action is to communicate openly and sincerely with consumers and thus prove to be trustworthy.

Want to know more?

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woodlymaterial



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Research was conducted by an independent testing partner Sense n Insight.
More info: <https://www.senseninsight.com/>