Protective packaging, boxes, and mailers are the leading types of e-commerce packaging, together accounting for nearly 80 percent of the total in 2015. The remainder of demand is met primarily by labels, tape, and insulated shipping containers. Through 2020, the fastest growth is expected for boxes, labels, and mailers.

**Essential role of protective packaging to fuel growth**

Protective packaging advances will lag the overall average, restrained by trends toward smaller packages and packages sized to fit contents, thereby costing less to ship. Nonetheless, protective packaging’s essential role in preventing damage at a relatively low cost will fuel growth, especially as consumer perceptions of e-commerce merchants can be negatively affected by receiving merchandise that was damaged during shipping.

**Third party fulfillment & logistics firms to be fastest growing market**

Traditional e-commerce retailers, dominated by Amazon, which accounted for 42 percent of demand in 2015, are the leading market for e-commerce packaging. Gains will be similar to the overall average, propelled by continued robust prospects for e-commerce retail sales. Third party fulfillment and logistics firms (3PLs) will represent the fastest growing e-commerce packaging market through 2020 and beyond. In the brick and mortar retailer market, increases will be aided by the growing share of company sales generated via e-commerce and the focus on developing infrastructures for an omnichannel approach.

**Food & beverages to finally represent a fast rising application**

In terms of merchandise applications, the largest segments are computers and electronics, apparel and accessories, and home furnishings, which together accounted for 54 percent of total demand in 2015. Apparel and accessories will be one of the fastest rising applications, while home furnishings will exhibit above average growth prospects. Food and beverages, an area where consumers have so far been slow to adopt online shopping, will represent one of the fastest growing applications for e-commerce packaging.

**Study coverage**

This study examines the $2.5 billion US market for retail e-commerce packaging. Product segments covered include protective packaging (e.g., air pillows, bubble packaging, paper fill, loose fill, etc.), boxes, mailers, labels, tape, insulated shipping containers, and other packaging (e.g., paperboard tubes, shrink film). Markets include traditional e-commerce retailers, third party fulfillment and logistics companies, brick and mortar retailers, specialty retailers, and other markets (e.g., US Postal Service, online marketplaces). In addition, the study covers merchandise applications for e-commerce packaging. The study also discusses leading customers for e-commerce packaging, evaluates company market share and presents competitive analysis on industry participants including Georgia-Pacific, International Paper, Intertape Polymer, Packaging Corporation of America, Pregis, Sealed Air, 3M, and WestRock.
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E-Commerce Packaging in the US
US Industry Study with forecasts for 2020 & 2025

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Third Party Fulfillment & Logistics Companies
In 2015, third party fulfillment and logistics companies (3PLs) were the second largest market for e-commerce packaging, accounting for 23 percent of demand. The rapid growth of online shopping is a key driving opportunity for third party providers of fulfillment services such as inventory storage, packing, shipping, and returns. The outsourcing of these activities by e-commerce merchants enables them to focus on production, marketing, and customer service rather than investing in order management software, computer hardware, packaging products and equipment, warehouse space, and related personnel. By using a 3PL, overhead costs are shared among clients, which can improve profitability for e-commerce retailers that use 3PLs. Shipping costs can also be reduced since orders for multiple clients can be aggregated for a larger discount from carriers systems.

Packaging Demand Forecast
Demand for packaging in the third party fulfillment and logistics market is forecast to grow to $175 million in 2025, representing the fastest growing market for e-commerce packaging. Advances will be driven by fulfillment processes migrating to 3PLs to improve efficiency and avoid costs associated with staffing and fulfillment technology. Third party fulfillment & logistics retailers, the outsourcers, are appealing to startups that do not have expertise in

In 2015, boxes and mailers were the leading e-commerce packaging products in the third party fulfillment and logistics market, together accounting for 49 percent of the total. Robust growth is anticipated for both boxes and mailers due to continued surging of online shopping, which will spur greater demand for related shipping containers needed for this study can help you:

• Determine your market & sales potential
• Learn more about industry competitors
• Assess new products & technologies
• Identify firms to merge with or acquire
• Complement your research & planning
• Gather data for presentations
• Confirm your own internal data
• Make better business decisions

This study can help you:

E-Commerce Packaging in the US
US Industry Study with forecasts for 2020 & 2025

For complete details on any study visit www.freedoniagroup.com
Retail E-Commerce Packaging Market in the US
US Industry Study with Forecasts for 2020 & 2025

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Related Studies

World Pressure Sensitive Tapes
Global demand for pressure sensitive tapes is forecast to rise 4.3 percent yearly to $3.4 billion square meters in 2020. Carton sealing tape will still account for the majority of demand, but specialty tapes will register faster growth. The Asia/Pacific region will still post above average gains. This study assesses the 43.3 billion square meter world pressure sensitive tapes market, with forecasts (2020, 2025) for supply and demand, plus demand by type and material, in six regions and 20 countries. The study also evaluates company market share and profiles global players.

#3447.............. October 2016.............. $6300

Aseptic Packaging
Demand for aseptic packaging in the US is projected to rise 6.8 percent annually to $6.4 billion in 2020. Gains will be driven by advantages in processing and ambient temperature storage. Prefillable syringes and plastic bottles will be the fastest growing products, with syringes replacing bottles as the largest segment. Beverages will be the fastest growing market. This study analyzes the $4.6 billion US aseptic packaging market, with forecasts for 2020 and 2025 by product and market. The study also evaluates company market share and profiles industry competitors.

#3386............... March 2016.............. $5200

Protective Packaging
Demand for protective packaging in the US will rise 4.9 percent annually to $6.8 billion in 2019. The fulfillment of e-commerce sales will be the main driver of growth. Environmental concerns will favor air pillows and paper fill products over foam loose fill for goods delivered directly to consumers. Flexible protective packaging will continue to dominate. This study analyzes the $4.6 billion US protective packaging industry, with forecasts for 2019 and 2024 by function, market and product. The study also evaluates company market share and profiles industry players.

#3356............. December 2015............ $5400

Labels
US label demand will rise 3.8 percent annually to $19.7 billion in 2019. In-mold, stretch sleeve and heat-shrink labels will grow the fastest. Digital printing will continue to displace traditional label printing methods. Primary packaging will remain the largest function, while secondary labeling and mailing/shipping labels will pace gains. This study analyzes the $16.3 billion US label industry, with forecasts for 2019 and 2024 by material, application method, printing technology, and function. The study also evaluates company market share and profiles industry players.

#3291............. June 2015.............. $5500

Freedonia’s methods

• Establishing consistent economic & market forecasts
• Using input/output ratios, flow charts & other economic methods to quantify data
• Employing in-house analysts who meet stringent quality standards
• Interviewing key industry participants, experts & end users
• Researching a proprietary database that includes trade publications, government reports & corporate literature

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The Freedonia Group is a leading international industry market research company that provides its clients with information and analysis needed to make informed strategic decisions for their businesses. Studies help clients identify business opportunities, develop strategies, make investment decisions and evaluate opportunities and threats. Freedonia research is designed to deliver unbiased views and reliable outlooks to assist clients in making the right decisions. Freedonia capitalizes on the resources of its proprietary in-house research team of experienced economists, professional analysts, industry researchers and editorial groups. Freedonia covers a diverse group of industries throughout the United States and other world markets. Industries analyzed by Freedonia include:

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Contact Freedonia

1.800.927.5900 (US & Canada)
+1 440.684.9600 (Int’l)
email: info@freedoniagroup.com
website: freedoniagroup.com

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