Packaging Market Trends

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Contents

About Smithers

Smithers is a global market leader in producing packaging industry reports with over 80 years' technical and scientific experience supporting companies around the world. Smithers publishes 40+ market reports per year in packaging, paper, print and sustainability, as well as security print, nonwovens and tires.

Our market research brings together a global network of industry experts to explore cutting-edge packaging market trends, combined with in-depth industry analysis and five-year market forecasts.

Drawing on proprietary databases, primary research, and our deep technical expertise, the result is credible, actionable insights. Smithers Market Intelligence enables our clients to confidently make successful business decisions. To find out more, visit **smithers.com/services/market-reports**.

Executive summary

In 2025 London Packaging Week celebrates 15 years of innovation, creativity, and industry-leading insight. Official research partner Smithers examines the evolution of packaging trends from the last 15 years and looks forward to the next decade of innovation.

In 2010, the first year of London Packaging Week, packaging sales in Western Europe were $193.4 billion, according to historic data from Smithers. In 2025, the world has recovered from the disruption of the Covid-19 pandemic, but confidence remains fragile. The regional market reached $238.6 billion in 2024. Smithers analysis shows that – as it was in 2010 – innovation is essential for packaging converters to remain competitive, to adapt to new market realities, and to capture commercial opportunities.

In 2010 e-commerce was a relatively immature segment of the market; in 2025 this lucrative sector is continuing to grow faster than traditional retail. In 2010 sustainability in packaging was a fringe interest, often confined to small niche brands or retailers. In 2025 it is firmly established as one of the top trends in packaging in the UK, Europe, and worldwide. As advertising budgets and logistics have increasingly moved online, packaging has emerged a key medium to link the physical and digital dimensions. QR coding has become ubiquitous in many segments, and will continue to rise, along with dynamic marketing, enhanced product information, traceability and verification.

This exclusive white paper, produced by Smithers in partnership with Easyfairs, provides insights into four key trends – sustainability; consumer trends; e-commerce and legislation – and how they are shaping the packaging industry today.

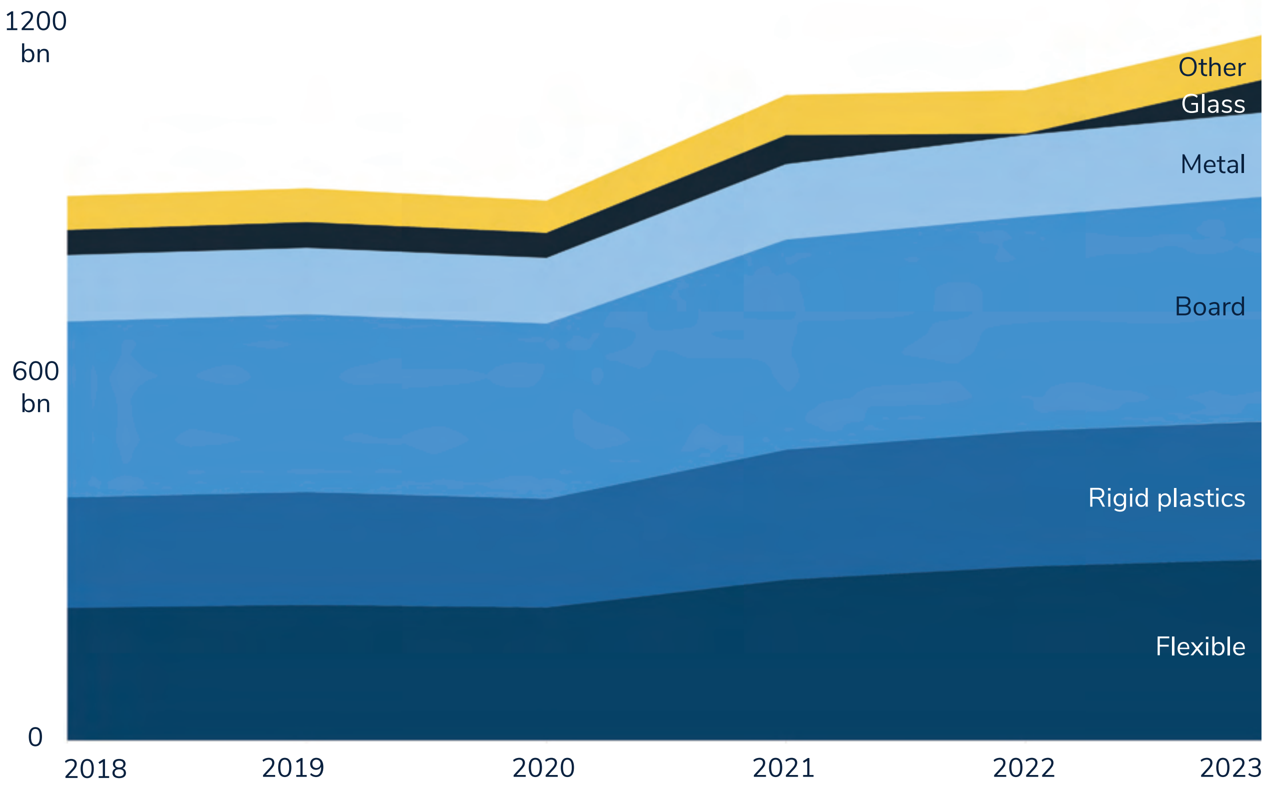
London Packaging Week. Source: Easyfairs

Packaging Market Outlook

The packaging industry is a trillion dollar, highly resilient market, with growth opportunities for all major packaging substrates.

- Paper and board represent the largest market share.
- PET is the most commonly used material in rigid plastic packaging.
- PE continues to grow in flexibles, driven by mono-materials.
- Developments in moulded fibre products are making them a more durable, versatile, and cost-effective option.

Value of global packaging market, 2018-2023 ($ billion)



Source: Smithers

Megatrends are powerful forces that are changing society. Population growth and urbanisation, technology changes and increasing environmental awareness are permanently and significantly changing how we live and work.

Sustainability

Brand owners and retailers have set challenging environmental targets – to meet both tightening legislation and consumer demand.

Consumer trends

Consumer lifestyles are changing rapidly and suppliers must adapt to meet the need for convenience, sustainability and cost.

Regulations

Regulation is tightening in Europe and beyond. EPR is influencing choice of material and packaging design.

E-commerce

E-commerce is still buoyant, and % share of total retail is growing year on year. Consumers are ordering more meals to be consumed at home.

Technology & Innovation

Packaging suppliers must be increasingly innovative to meet consumer demand, and to tackle material shortages and rising prices.

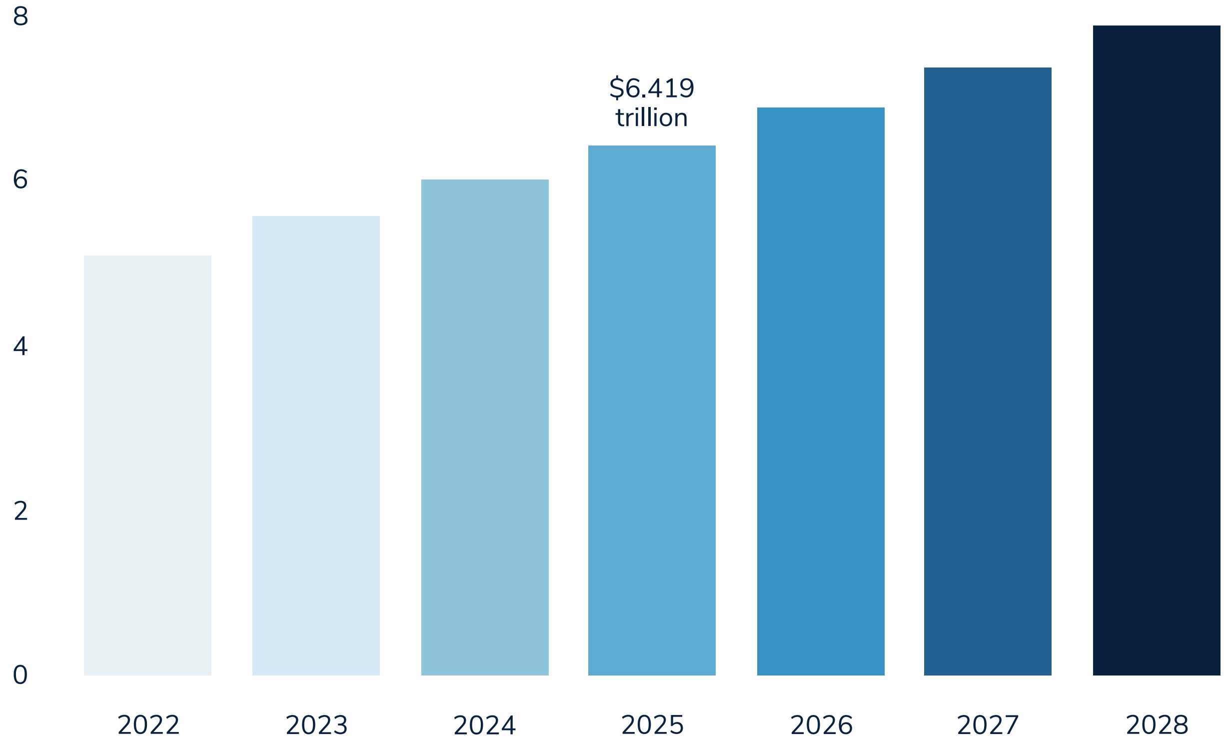
E-commerce

Valued at $6.4 trillion in 2025, the global outlook for e-commerce sales is strong, despite economic slowdown.

In 2010 e-commerce was a relatively immature segment of the market. Market leader Amazon's sales in the UK were just $3.9 billion in 2010, and by 2024 had reached $37.9 billion. A host of competitors has pioneered a whole new segment of the packaging market.

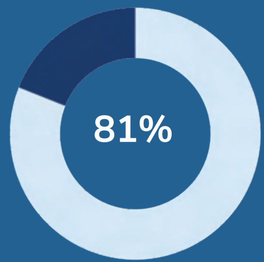
In 2025 e-commerce sales are expected to represent just over 20% of total retail sales. E-commerce will continue to grow faster than traditional retail, driven by fulfilment and logistics infrastructure development in Asia and South America and higher mobile commerce rates.

Global retail e-commerce sales, 2022-2026 ($ trillions)



Source: eMarketer, Smithers

“The global e-commerce packaging market is valued at $81.6 billion in 2025.



Global sales of e-commerce packaging are forecast to break the $100 billion barrier by 2028. [1] This will benefit producers of corrugated, which accounts for almost 81% of e-commerce packaging.

The rise in e-commerce meal delivery, using third parties such as Uber Eats and Deliveroo, is driving demand for specialty paper products. There are opportunities for product offerings in flexible food wraps, bags, and lightweight disposable packaging.

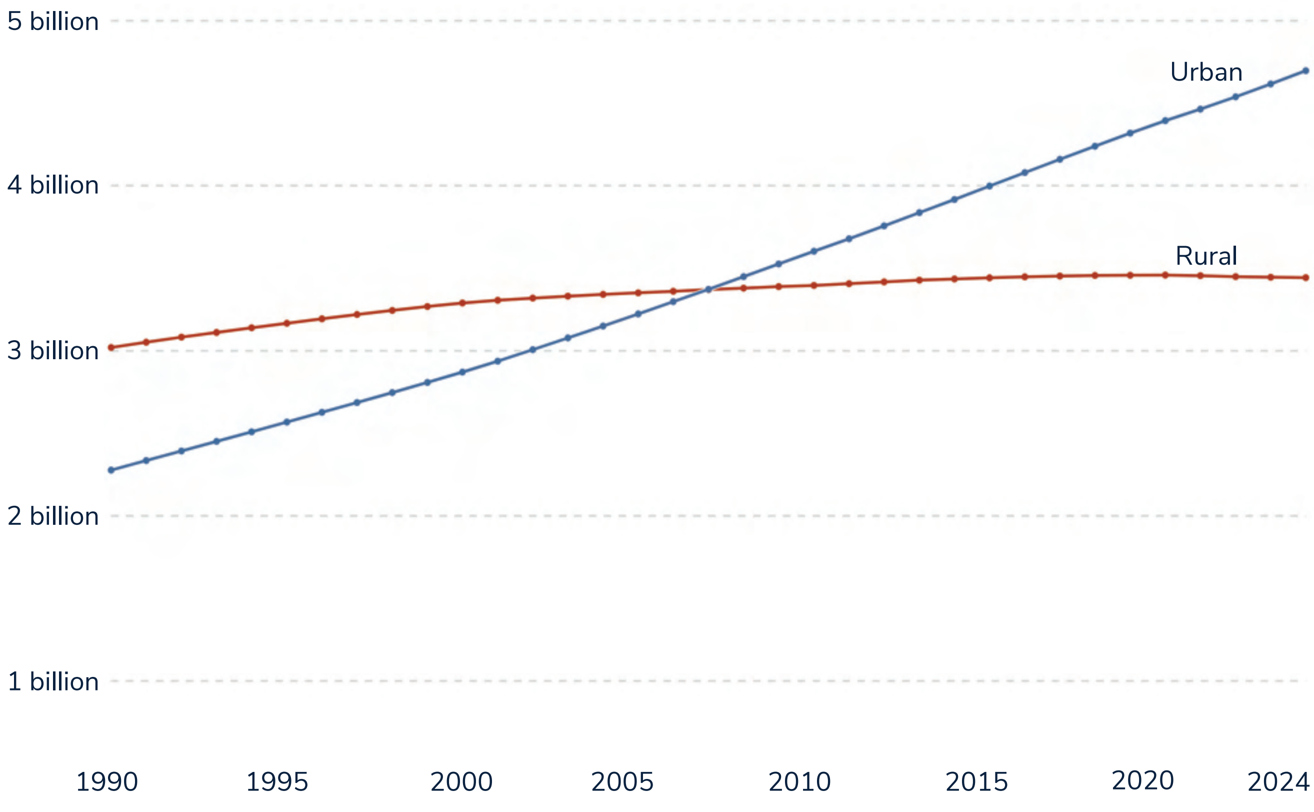
[1] *The Future of E-commerce Packaging to 2029, Smithers*

Consumer trends

Accelerating urbanisation and higher incomes will continue to drive packaging demand over the next decade.

- The global packaging industry is undergoing a transformation, influenced by demographic changes, economic development and evolving consumer demands.
- In developing regions, a growing middle class with higher disposable incomes, will be a big driver for packaging over the next ten years.
- More than 50% of the world's population now live in urban areas – increasingly in highly dense cities. Demand for consumer goods increases in line with urbanisation.
- The rise of single person households is driving demand for ready meals, smaller pack sizes and convenience features such as resealable and microwaveable features.

Number of people living in urban and rural areas, 1990-2024 (billion)



Source: Our World in Data; World Bank; UN Population Division – World Development Indicators

The growing role of convenience: consumers expect it and are willing to pay more for it. This trend is most prominent in the food-to-go and grocery sectors.

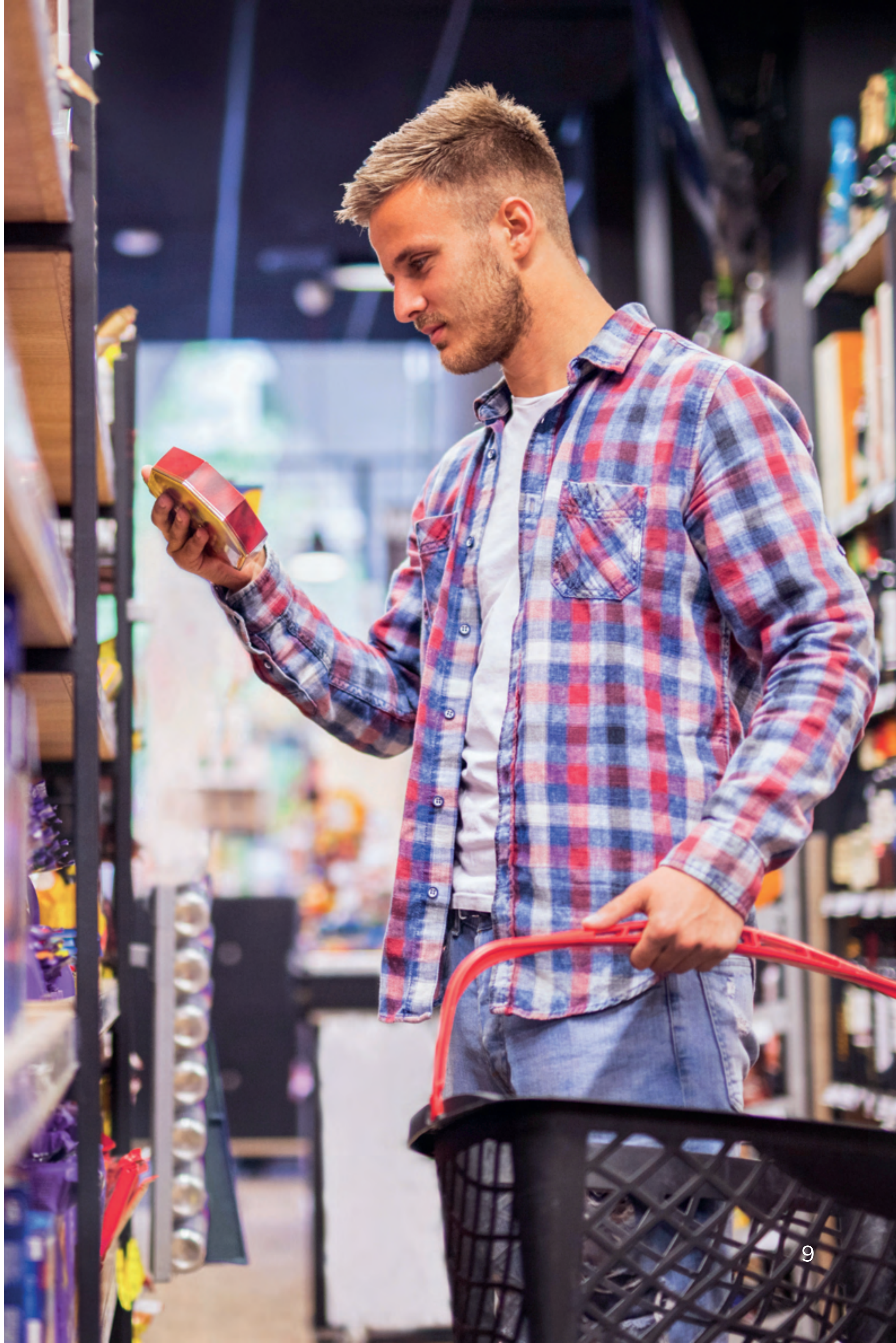
83%

say convenience while shopping is more important now compared with 5 years ago.

66% of millennials expect 1-hour delivery in urban areas.

70% expect e-tailers to use as little packaging as possible.

Source: Smart Insights; Smithers

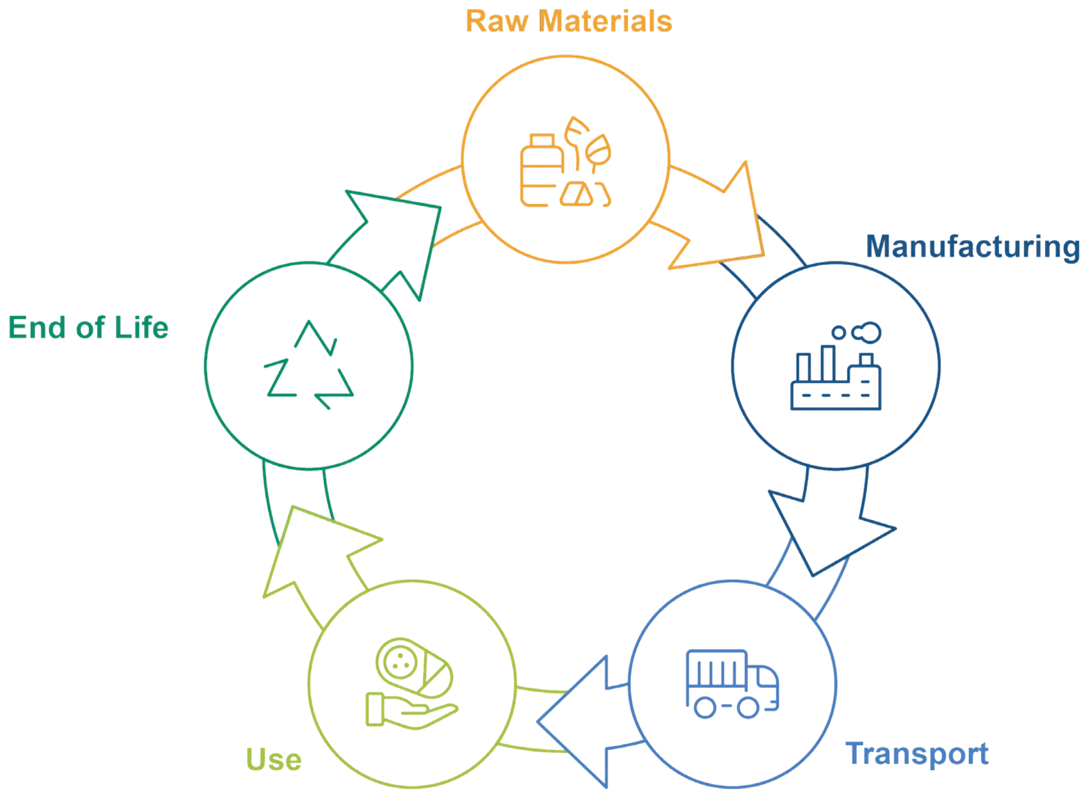


Sustainability

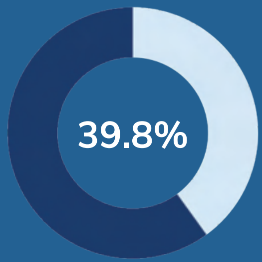
Sustainable packaging is one of the most important trends in the global packaging industry. In today's economic climate, brands must focus on developing more sustainable packaging solutions that are also cost-effective and efficient.

What is sustainable packaging?

- Sustainable packaging is designed using eco-friendly principles to **minimise environmental** and **social impacts** throughout its lifecycle
- It has a low carbon footprint from reduced use of **fossil raw materials**
- Sustainable packaging integrates post-consumer recycled content while ensuring the materials can be repeatedly **reused**, **recycled**, or **composted**.
- Europe is leading the way in the development of sustainable packaging materials, packaging applications and **waste management infrastructures**.



Source: Smithers



Fibre-based packaging materials (paper, board and moulded pulp) have the largest market share, at 39.8% of total packaging consumption in 2023. [1]

Moulded pulp is expected to show the highest growth to 2034, due to the wide range of applications and low EPR fees.

Plastics remain a significant proportion of the total global market. Global demand for fossil-based plastics is unlikely to abate, given the slow progress in regions outside of Europe to move to renewable packaging materials.

[1] *The Future of Sustainable Packaging - Long-term strategic forecasts to 2034*

Legislation

Packaging legislation is creating seismic change across the industry. The most significant regulations, the PPWR and EPR, are being mandated in the EU to tackle the widely publicised problem of packaging waste.

Brand owners and retailers are focused on regulatory compliance to the EU's Packaging and Packaging Waste Regulation (PPWR), as its targets are officially mandated.

Packaging strategies must include waste reduction, recyclability, reduction of packaging and alternatives to plastic in certain segments.

Brands are also focusing on reducing exposure to packaging materials and formats that attract the highest Extended Producer Responsibility (EPR) fees. Many forces are incentivising companies to find ways to limit and reduce.

PPWR

The PPWR came into effect in February 2025. It aims to:

- Prevent and reduce packaging waste
- Make all packaging recyclable by 2030
- Increase packaging recycled content
- Decrease use of virgin materials in packaging.

EPR

Extended Producer Responsibility (EPR) policies shift the responsibility for end-of-life product management to producers. It is motivating brands to rethink packaging design, prioritise recyclability, and explore alternative materials.

DRS

Deposit Return Systems (DRS), if managed effectively, are an efficient way for authorities to increase the recovery and recycling of packaging waste. It is hoped that DRS will boost the availability of rPET in Europe and beyond.

“The effect of PPWR in Europe, and EPR on a global scale, represents the biggest regulatory change ever seen in the packaging industry. These regulations also present opportunities for more profitable products for packaging suppliers.

Source: The Future of Sustainable Packaging - Long-term strategic forecasts to 2034

Future scenario

The global packaging market is expected to grow at an average compound annual growth rate (CAGR) of 3.8%, reaching $1.43 trillion by 2028.

However, growth will slow to 2.1% CAGR between 2028 and 2050, reflecting the saturation of packaging markets in high-income countries and the shift in growth to emerging regions, where market penetration is still low but expanding rapidly.

High-income countries are predicted to lead in innovation, sustainability and premiumization, while developing countries will focus on affordability, scalability and basic functionality.

As the world's population continues to grow, particularly in emerging markets, the demand for packaging solutions will evolve, necessitating a balance between environmental responsibility and economic practicality. By 2050, the packaging industry is forecast to be more sustainable, efficient and consumer-centric, driven by advances in technology, e-commerce and changing consumer preferences.

Source: The Impact of Population and Demographics on Packaging: Long-term Outlook to 2050

Sources

Smithers Market Reports provide credible, actionable insights, with market data based on primary and secondary research. Our team of industry experts will help solve your strategic and business challenges with incisive market intelligence.

The Future of Sustainable Packaging - Long-term Strategic Forecasts to 2034

The Impact of Population and Demographics on Packaging: Long-term Outlook to 2050

The Future of E-commerce Packaging to 2029

Packaging Market Trends is produced by Smithers in association with Easyfairs, to celebrate 15 years of London Packaging Week.

Find out more at:
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