



Key Trends

Packaging

This content has been collated to provide information on the **Packaging** industry in Scotland. You can find more information on how to write a business plan from the Business Gateway website (www.bgateway.com/businessplan).

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Sourcing Packaging for your Product:

- ◆ [Scottish Packaging Society \(SPkgS\)](#) and [Scottish Plastics & Rubber Association \(SPRA\)](#) – these societies are affiliated to IOM3(Institute of Materials, Minerals and Mining) and aim to represent the interests of packaging professionals in Scotland. The website also offers event listings, industry resources and news. (www.iom3.org/group/scottish-packaging-society-spkgS.html) and (<https://spra.org.uk/>).
- ◆ [The British Contract Manufacturers and Packers Association \(BCMPA\)](#) – this organisation offers a map of member companies, which may help finding local suppliers, and online resources which include tips for start-ups. (<https://bcmpa.org.uk/>)
- ◆ [WRAP](#) (www.wrap.org.uk) is a collaborative organisation with global offices, promoting the role of waste prevention and recycling. They offer various online guides and resources and research into packaging.
- ◆ [The Metal Packaging Manufacturers Association](#) (www.mpma.org.uk) is a trade association representing companies in the metal packaging industry. The Association supports and represents members' interests on industry matters related to operational, regulatory, and environmental issues.
- ◆ [Web Packaging](#) (www.webpackaging.com) is an information portal for consumer-packaged goods. Here you can search the directory of [packaging suppliers](#) for your product.
- ◆ [Packaging News](#) (www.packagingnews.co.uk) is an online magazine covering various industry news. This also includes information on various markets, industry events and a supplier directory.

About the Packaging Industry:

- ◆ Mintel reports that sustainability will be a standard box to tick on the package innovation checklist. The challenge will be to incorporate such responsibility while not compromising the functionality or cost of general package innovation. When comparing different CPG industries, innovation has declined the most in food and drink, which saw only 26% of launches being new products globally in 2024 compared to 50% in 2007. Food and drink companies have preferred to launch new varieties/range extensions or new packaging, as a way to offer new but familiar, choices to consumers. However, when assessing packaging, food shoppers tend to place importance on practical, immediate features and benefits. Food protection and ease-of-use are top priorities while sustainability-related factors fall farther down the list. (Mintel, *Packaging Trends 2025: packaging in perspective*, March 2025).
- ◆ Amid heightening environmental concerns, the imposition of a levy on single-use plastic bags has bolstered the sales of biodegradable and sustainable paper packaging, positioning it as a preferred eco-friendly alternative. With e-commerce expanding, particularly among younger generations, cardboard packaging manufacturers have an opportunity to increase sales. Consumers are increasingly eco-conscious, demanding products that reduce waste and promote resource efficiency. For companies embracing this transition, innovation in packaging design and reuse strategies will be essential to meeting growing regulatory and consumer demands (IBISWorld, *Cardboard Packaging & Paper Bag Manufacturing in the UK*, December 2024).

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- ◆ According to IBISWorld, light metal packaging manufacturers will continue to face stiff competition from cheaper imports and plastic substitutes. However, they will gain market share in both the alcoholic and non-alcoholic beverage industries as consumer opinions of metal cans improve thanks to environmental concerns and better can designs. IBISWorld estimates that over the five years through 2029-30, light metal packaging manufacturers' revenue is forecast to increase at a compound annual rate of 1.8% to £1.7 billion. (IBISWorld, *Light Metal Packaging Manufacturing in the UK*, June 2024).
- ◆ Although functionality surpasses pack design as a purchase driver, premium, attractive packaging that complements home decor and that can be refilled will appeal to the next generation of homecare buyers who increasingly prioritise minimising packaging waste. New packaging materials, such as the use of recycled material and bioplastics, will become mainstream. Convenience is key when buying homecare products. Easy to open packaging is a preferred feature, along with controlled dispensing and being easy to stack. (Mintel, *Attitudes towards Household Care Packaging– UK*, July 2024).
- ◆ This industry specialises in manufacturing durable corrugated paper and cardboard packaging materials. It also creates versatile folding boxes crafted from high-quality cardboard. The UK's paper and paperboard packaging industry is expected to generate £6.1bn in revenue in 2024. Employment is projected to be 26,113 in 2024, with 384 businesses operating. The industry's profit margin is estimated at 10.1%. Environmental awareness positively impacts the Paper & Paperboard Packaging Manufacturing industry by driving consumer demand for recyclable and biodegradable paper packaging as an alternative to plastic packaging. (IBISWorld, *Paper & Paperboard Packaging Manufacturing in the UK*, August 2024).
- ◆ Plastic packaging goods manufacturing revenue is expected to fall at a compound annual rate of 2.6% over the five years through 2024-25 to £4.6 billion, including a forecast drop of 3.3% in 2024-25. Manufacturers contend with increasingly stringent regulations - the UK has set out a target for recycling at least 70% of packaging waste by 2030. Sustainability will be at the forefront of the industry as manufacturers turn to bio-plastics to appeal to environmentally conscious consumers. However, bio-plastics typically use more expensive inputs like corn starch, threatening profitability. (IBISWorld, *Plastic Packing Goods Manufacturing in the UK*, February 2025).
- ◆ According to IBISWorld, packaging service providers' revenue is projected to grow at a compound annual rate of 0.1% over the five years to 2024-25, to £6.2 billion, including an expected 3% hike in the current year. Although regulations favouring ecological welfare will raise costs for packaging service providers, the advantages of offering sustainable packaging to environmentally conscious customers will outweigh these drawbacks. Meanwhile, e-commerce will continue to grow increasing the need for packaging services. (IBISWorld, *Packaging Services in the UK*, September 2024).
- ◆ Since April 2024, the **UK Plastic Packaging Tax** has been £217.85 per tonne. The rate of plastic packaging tax (PPT) will increase in line with the consumer price index (CPI) to [£223.69 per tonne from 1st April 2025](#). The aim of the tax is to incentivise the use of recycled material in the production of plastic packaging. Guidance on the tax and who needs to pay can be viewed on www.gov.uk/guidance/check-if-you-need-to-register-for-plastic-packaging-tax .

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