

Parasitic packaging

2022 examples of similar 'parasitic' packaging

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Introduction

The following examples of products in packaging similar to familiar branded products were found on the UK market in 2022.

They were purchased by the British Brands Group on the basis that they appear to be designed intentionally to evoke familiar branded products, thereby gaining an advantage from those products.

The examples have not been researched to confirm to what extent, if at all, shoppers have been misled or prompted into making wrong assumptions or purchases.

The effects of similar packaging

There is extensive evidence that similar packaging prompts shoppers to make mistaken purchases and increases their assumptions that the copy comes from the same company or has the same quality and reputation as the original. In short, products in such packaging steal sales and dupe the shopper into thinking they are buying something other than what they actually are.

Packaging designs that mimic those of familiar brands also take unfair advantage of the original, bleeding them of their distinctiveness and sales, hence being parasites. In addition to free-riding on the marketing effort of familiar brands without incurring the associated costs, boosting their profits in the process, the copy is also able to charge higher prices, without delivering any higher value to the shopper.

A summary of UK research and evidence is provided at the end of this document.

Copies made by the same manufacturer?

It has not been confirmed whether any of the following examples were made by the same manufacturer as the original. Were a manufacturer to make both products and their ingredients and production processes to be identical, then the similarity would not be misleading. Indeed the packaging would be potentially helpful to shoppers, identifying where there is true similarity.

The presentation of products

Examples are presented side-by-side for comparison purposes. This however is not necessarily how the products are presented to shoppers in store. The original product may be alongside, on a different position on the same shelf, on a different shelf or not present. Products either above or below eye level may only be partially visible and packs may not all be face on. The retailer determines shelf position, number of facings and shelf communications, as it does the retail price at which both products are sold.

Preying on the shopper's subconscious

The side-by-side presentation helps considered comparisons. That however is not how most people shop. For familiar products regularly purchased, shoppers rely on subconscious and System 1 (fast) decision-making, making their choices in a matter of seconds. Few use shopping lists and few read labels, relying on colour and shape primarily to identify products. It is this way of shopping that is exploited by those who package their products to evoke familiar brands and their qualities.











































This retailer sells two different products, one in more distinctive packaging than the other





















Evidence

 The UK Intellectual Property Office (IPO), a Government agency, commissioned a <u>study</u> into similar packaging in 2013 which reviewed historical studies and undertook its own original research.

Following publication, the IPO summarised in a <u>note</u> the key findings of all the research reviewed:

There is a lookalike effect. In essence:

- Consumers are more likely to make mistaken purchases if the packaging of products is similar and there is strong evidence that consumers in substantial numbers have made mistakes;
- Consumers' perceptions of the similarity of the packaging of goods are correlated with an increased perception of common origin and to a material degree. There is also an increased perception of quality;
- The lookalike effect increases consumers' propensity to buy a product in similar packaging.

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- A research <u>study</u> by Acuity Intelligence, published in 2017, confirmed
 - colour as the primary search feature
 - the presence of a copy disrupts shopper decision-making. Mistakes in identifying the brand occurred 20% of the time when both the original and the brand were present and 64% of the time when only the copy was present
 - The colour and clarity of the pack play a role in accurate search, indicating that ageing populations are at particular risk
 - The study concludes that errors were unavoidable, being driven by unconscious decision-making, and that
 packaging similarity drives the effect.
- A research <u>study</u> commissioned by the British Brands Group in 2009 found that 33% of respondents admitted to buying a shopping item by mistake because the packaging was similar. Perceptions of similarity were driven primarily by colour but also by shape, overall design and size.

• An <u>interim judgment</u> decision before the Scottish Court of Session in 2021 involved Hendrick's gin and Hampstead gin, the latter moving from a distinctive pack design to a design closer to that of Hendrick's. From data in the judgment, it can be calculated that the price per cl was 14% higher when in similar as opposed to distinctive packaging (though there was a 1.4% increase in alcohol content). The similar packaging included a larger bottle so the per cl price could have been expected to be lower. The Judge noted the apparent intention of the defendants to "pay about 60% more than the price of the previous 50cl bottle (the new bottle being 40% greater in volume)" (para 61).

There has been significant research undertaken over the decades using differing methodologies and reaching sufficiently consistent findings to present clear evidence on how parasitic copies work and the harm they cause. The Group's <u>website</u> provides some further examples to those mentioned above. For further information on existing research, please contact John Noble at the British Brands Group (<u>in@britishbrandsgroup.org.uk</u>).



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