

MEGATRENDS POISED TO RESHAPE NORTH AMERICAN PACKAGING

Looking to the future, what lies in store for the packaging industry? The quickly changing landscape of geopolitics and trade, along with the continued growth of e-commerce and ongoing sustainability expectations, indicate that two materials will come out as clear winners—paper and flexible plastics.

That’s according to Boston Consulting Group’s (BCG) “Flexible by Design: The New Playbook for Packaging in North America.” They ran extensive quantitative modeling of product categories and packaging types to map what they see ahead. They see packaging industry leaders’ future-proofing their portfolios, building more agile and resilient supply chains, getting smarter about pricing, and pushing sustainable innovation forward—ideally by collaborating across the value chain and not going it alone.

THE SHIFTING LANDSCAPE

BCG researchers identified what they call “major megatrends” —driven by long-term economic and structural shifts, they believe these shifts will be reshaping North America’s packaging industry over the next five to ten years. Together, these megatrends will ultimately change not just what packaging is made of, but how companies think about innovation. While cost and performance still matter, they no longer are the only factors in the decision. The next packaging choices will be shaped by a much more complicated mix of forces already in play, some of which may seem contradictory:

Global Trade: Rules are shifting, and the packaging industry is feeling it. While tariff outcomes are still evolving, one thing is clear: their impact on global trade and packaging costs will be long-lasting. As protectionism and regionalization continue to grow, companies are being forced to rethink how and where they source materials, pushing many to diversify suppliers, swap out substrates, and revisit long-standing packaging choices.

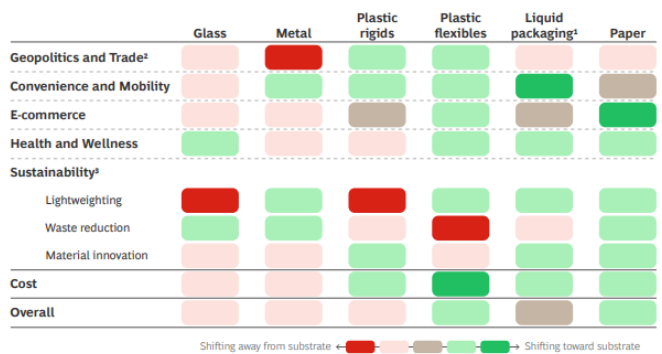
Convenience and Mobility: Convenience is still king for North American consumers. Busier, more mobile lifestyles are driving demand for packaging that’s easy to use and easy to take on the go; think resealable packs, single-serve formats, and ready-to-use products. At the same time, unit sizes are getting smaller, which often means more packaging overall, even as individual packages shrink.

E-commerce: As online shopping increases, packaging must do double duty, protecting products through shipping while also acting as part of the brand experience when the box shows up at the door. That’s fueling demand for packaging that’s simpler, sturdier, and more sustainable, cutting excess materials while still delivering a great unboxing experience.

Health and Wellness: Health-conscious consumers are changing what they buy for options that feel fresher and better for them. That shift is influencing packaging, too. Formats need to preserve freshness and product

EXHIBIT 1

Megatrends and Their Impact on Packaging Substrate Selection in North America



Source: BCG analysis.

Note: Headwinds and tailwinds show impact of both inter-category mix shifts and intra-category substrate shifts.

¹Aspiric cartons, e.g., Tetra Paks.

²Reflects views as of April 15, 2025.

³Reflects consumer perception of the substrate's sustainability.

integrity for food, supplements, and cosmetics while avoiding materials that consumers associate with potential health risks, like microplastics. The result: growing demand for stronger barrier performance and safer-perceived materials.

Sustainability: Sustainability continues to be a top priority for global brands. Abroad, regulation and infrastructure investments are driving rapid change. In the US, progress is more fragmented but still gaining momentum led by state-level legislation, rising consumer awareness, and innovation in recyclable mono-materials and bio-based composites. Across substrates, one trend stands out: increased use of post-consumer recycled content. The real challenge is making all this work at scale without sacrificing performance or blowing up costs.

PAPER V. PLASTIC

How are these megatrends changing real-world packaging decisions? To find out, BCG built quantitative models across more than 350 product categories and 50 packaging formats in eight end markets. They paired that analysis with hands-on expertise in climate policy and tariff legislation to see how each trend would play out across the major packaging materials.

The big takeaway: paper and flexible plastic come out ahead. While sustainability concerns continue to put pressure on plastic, cost and performance keeps it a strong paper competitor. For paper, the key barrier continues to be innovation; can the industry scale cost-competitive barrier technologies? If doable, paper adoption could potentially accelerate, especially in food and beverage.

Zooming out to a bird's-eye view, a few clear patterns start to emerge. The growing concern by consumers regarding microplastic pollution and plastic's low circularity rates is a significant contributor; over time, they predict that paper will steadily take shares from plastic.

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To read more, go to [BCG.com](https://www.bcg.com) > Publications > 2025 > New Playbook for Packaging in North America