

1st Person

A Look Ahead: PragmatlC's 2018 Industry Predictions



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PragmatlC is a company at the forefront of advances in flexible electronics, focused on delivering ultra-low-cost flexible integrated circuits (FlexICs) to enable NFC and RFID solutions for mass market smart packaging. Working with leading tag manufacturers and technology partners, PragmatlC has a

unique perspective on the packaging industry. So, what are our predictions for 2018?

Packaging Industry to See the Wider Implications of "IoT"

According to [Gartner](#), there will be 20.8 billion devices connected to the Internet by 2020. The massive hype behind the "Internet of Things" (IoT) has had both positive and negative implications over the past few years. On the one hand, it has helped to increase interest in the potential of "smart" objects; but on the other, it has created confusion—because people often have vastly different definitions of what IoT encompasses.

Much of the conventional electronics industry is focused on complex, high-value objects, such as connected cars and smart home appliances. These justify and require the use of expensive sensors to achieve a broad range of functionalities. Even when using simpler sensors for less complex applications, the cost is still considered too high for integration into high-volume, fast-moving consumer goods (FMCGs). What is needed is a fresh approach to ensure it is commercially viable to introduce intelligence and interactivity into everyday products and packaging. Major FMCG brands are looking to leverage the very latest embedded electronics, NFC (Near Field Communications), RFID (Radio Frequency Identification) and smartphone technologies to engage directly with their consumers.

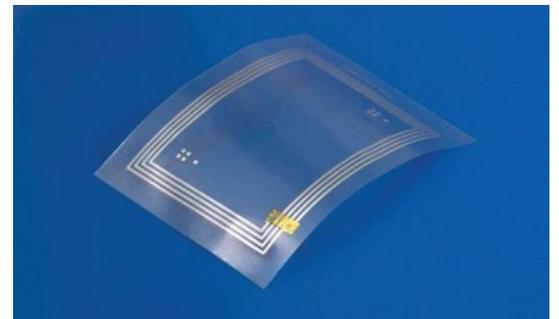
NFC Will Become More Integrated into Consumers' Lives

Apple iOS11 has launched with new functionality allowing users to read NFC tags. Although Android has the majority of the operating system market share, Apple's move is still significant, especially in Western geographies. In 2018, more people than ever before will have NFC readers in their pockets.

This is important, as FMCG brand owners and retailers face an ongoing challenge to come up with new and innovative ways to build and retain customer loyalty, and smart packaging can provide a platform for this interaction. It offers the

PragmatlC Flexible Integrated Circuits (FlexICs)

- Seamless fit with everyday objects
- Thinner than a human hair
- Flexible, robust and durable
- No rigid interconnection points
- Extremely low cost
- 90% lower IC cost than silicon
- 80% lower tag cost than silicon
- Simple integration and production
- Easy to migrate from designing silicon ICs to FlexICs
- Compatible with existing IC attach systems
- Simple tag integration
- Full conversion line speed



ability for consumers to pull information about a product, compared to push advertising, which people dislike.

NFC tags have unique identifiers allowing for personalised interaction before, during and post purchase. With a simple tap, NFC-enabled smartphone users can access product information, targeted offers, re-ordering reminders and interactive content. For the first time, it is possible to engage with consumers on an individual level and build a direct relationship.

There is definitely demand for NFC: [new research from Markets and Marketing](#) predicts that the smart packaging market will reach \$39.7 billion, growing at a CAGR of 4.8% from 2014 to 2020. Millennials and Gen Z-ers are most likely to be early adopters, as they are familiar with using smartphone technology such as Apple Pay. According to a [Nielsen](#) report, they make up around half of the world's population, so they are obviously a key demographic that brands and retailers must target. [IBM](#)

stated in a research piece, in conjunction with the NRF, that 66% of Gen Z-ers, once they find brands they like, will continue to buy for a long time. This highlights the importance to brands of leveraging NFC and new technologies behind smart packaging to establish enduring customer relationships.

Conclusion

PragmatIC is looking forward to an exciting year in 2018. We believe that FMCG brands are beginning to grasp the great potential of smart packaging and the benefits of direct consumer engagement. New technologies and production processes are emerging that will significantly reduce the cost of the key components required for smart packaging, such as the integrated circuit (IC) that is the brain behind the NFC tag. This will make mass market smart packaging commercially viable and increase connectivity in products we all use on a daily basis. **PS**



Foodie's Corner



Put a Lid on it! And more...

The Mason jar craze is still going strong, and a company named Jarware is using this trend to create a line of products that helps repurpose the sturdy mason jar packaging to fulfill numerous household needs. This is a brilliant idea, because it combines the modern and sustainable packaging option with multiple uses that are all environmentally friendly. The glassware's longevity and versatility provide the creators at Jarware with endless ways to help consumers reuse and reduce waste that often ends up in landfills.

According to the company, the lids and attachments were created to fit Mason jars. The products are made from BPA-free, recycled, food-safe plastic and are manufactured in Shanghai. The material is also dishwasher-safe.

Jarware's products are arranged into three different categories: beverage ware, kitchen ware and storage ware. Modifications are available to make Mason jars into soap dispensers, herbs savers, piggy banks, cocktail shakers and so much more.

This is the perfect solution for young people living in apartments: They need household supplies, but have a very small space. Mason jars are cheap and can be used for a variety of things, with these helpful products. Jarware is offered through vendors and can be purchased directly from the U.S. website at [jarware.com](#). **PS**

