

How the Role of Distributors Has Changed in the Packaging Industry

By Eric Faber, Founder & CEO of Packaging Resources August 2024

For decades, packaging distributors played a clear and consistent role: they warehoused inventory, broke bulk, delivered on schedule, and provided a buffer between manufacturers and end-users. But as supply chains have tightened, e-commerce has exploded, and sustainability expectations have shifted, the distributor model has been pushed through a period of rapid evolution.

Today, distributors are no longer just order-takers and delivery coordinators. They have become strategic partners, data providers, inventory-management experts, and—more than ever—solution architects. The packaging industry has changed dramatically, and distribution has changed with it.

1. From “Box Movers” to Strategic Supply-Chain Partners

Historically, many distributors lived in the transactional lane: buy at scale, mark up, and move product. That model is still alive, but it's no longer the differentiator it once was.

Now, end-users—from restaurants and CPG brands to e-commerce startups—want distributors who can:

- Forecast inventory more accurately
- Provide visibility into supply-chain risk
- Consolidate SKUs and streamline procurement
- Manage vendor relationships and reduce complexity

Businesses today are looking for fewer suppliers with more capability. Distributors have responded by expanding into light consulting, design support, and category management—roles once reserved for manufacturers or brand owners.

2. Digital Ordering Changed Everything

The rise of Amazon Business, Uline, and manufacturer-direct online portals has forced distributors to rethink their value. When customers can buy corrugate, mailers, and takeout packaging with a click, distributors can't rely on convenience alone.

Leading distributors are differentiating through:

- Integrated online portals with contract pricing
- Usage dashboards tied to customer operations
- Automated reordering based on consumption patterns
- Real-time inventory and delivery tracking

Customers no longer tolerate the “call your rep and hope for the best” model. Distributors must now operate with the visibility and user experience of e-commerce platforms while still delivering the expertise only a local or regional partner can provide.

3. Sustainability Pressures Reshaped the Distributor’s Role

Sustainability was once a marketing angle. Now it’s a mandatory capability—one customers expect distributors to understand better than they do.

Distributors today are being asked to:

- Interpret regulations (PFAS bans, compostability rules, labeling laws)
- Vet claims and ensure product compliance
- Recommend eco-friendly alternatives based on performance, not just optics
- Help clients transition away from banned or outdated materials

Manufacturers often push their “green” story. End-users want someone neutral between them—a distributor—to separate fact from fiction. The result? Distributors have become sustainability translators and risk-management advisors.

4. Inventory Management Is Now a Discipline, Not a Service

Previously, distributors simply carried stock. Now they must optimize it.

Fluctuating resin prices, freight instability, SKU proliferation, and customer forecasting challenges have forced distributors to adopt more sophisticated tools, including:

- Demand-planning software
- Vendor-Managed Inventory (VMI) programs
- Forecasting models tied to customer seasonality
- Local warehousing strategies to buffer supply-chain risk

Instead of just storing product, distributors increasingly act as decentralized logistics hubs—bridging the gap between unpredictable manufacturing lead times and customers who expect zero disruptions.

5. Custom Packaging and Light Manufacturing Are Now Core Services

The line between distributor and manufacturer has blurred.

More distributors now offer:

- Custom printing for bags, boxes, cups, and mailers
- Short-run digital/inkjet packaging solutions
- Kitting and co-packing services
- Structural design support
- Inventory programs for custom molds, tooling, and branded packaging

Customers want “one call, one solution.” Distributors who previously sold commodity packaging are now being asked to support brand identity and differentiation—something that used to be strictly the domain of converters and printers.

6. A Stronger Focus on Expertise—Not Just Product

As packaging materials, regulations, and technologies grow more complex, the value of distributor expertise has grown too.

Today’s best distributors are expected to understand:

- Material science basics
- Global resin markets
- Sustainability impacts
- Packaging automation trends
- Performance tiers and fit-for-purpose design
- FDA, DOT, and food-contact compliance

This evolution plays directly into the strengths of consulting-focused organizations like **Packaging Resources**, where your ability to interpret the industry for operators, brands, and specifiers creates value beyond what a distributor alone can provide.

7. The Result: Distributors Are Becoming True Packaging Integrators

The modern distributor is no longer just a middleman—they are an integrator.

Their role now stretches across:

- Product sourcing
- Pricing strategy
- Sustainability guidance
- Logistics and inventory control
- Custom packaging development
- Digital tools and procurement automation
- Cross-industry packaging expertise

For many companies, distributors have become their outsourced packaging department.

Final Thoughts: What This Means for Brands and Operators

The packaging industry is changing faster than ever—and the role of distributors has evolved accordingly. Distributors who embrace technology, sustainability, customization, and data-driven inventory management are thriving. Those who don't are being replaced by direct-to-customer manufacturers or e-commerce giants.

For brands, understanding this shift helps ensure you're selecting a distributor who acts as a partner—not just a supplier.

For distributors, the message is clear:

Your value is no longer the box you deliver, but the insight you provide.