

A STUDY ON THE IMPACT OF PRODUCT PACKAGING ON CONSUMERS BUYING BEHAVIOUR WITH SPECIAL REFERENCE TO SALEM DISTRICT

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Abstract

The objective of this study is to determine role of packaging on consumer's buying behaviour. The purpose of this research is to examine the essential factors, which are driving then success of a brand. This research also identified the relationship between the dependent and independent variables. This is the primary research and data has been collected through questionnaire and for analysis purpose SPSS software has been used. In this study samples of 100 respondents has been collected and tested the reliability of the model. According to the finding of the research study, it has been observed that the packaging is the most important factor. It is further concluded that the packaging elements like its colour, Packaging material, Design of Wrapper and innovation are more important factors when consumers making any buying decision. Finally it has also been concluded that the Packaging is one of the most important and powerful factor, which influences consumer's purchase decision

Keywords: Product Packaging, Buying Behaviour, Consumer Behaviour, Packaging Material, Design of Wrapper.

Introduction

Product is a combination of tangible and intangible goods and services offers to a customer for sale. It is any idea, method, information, service or object created as a result of a process and serves a need or satisfies a want. Consumers are very fond of new products and services which will satisfy their needs and fulfil their demands according to this attitude of consumer's they attract towards any product or services. We can easily identify the consumer's buying behaviour towards any product or services by seeing: How the consumer attracts towards any product? Is the given product or service satisfy the consumer's demand and how will the consumer's react towards any product/services? What is the perception of the consumer's about the product or services offers by a company? How much the product or services is recognizable among the consumer's? How much they give preference to the product or services offer by any company. There are many things which will increase the product sales. Product is

made up from the mixture of different elements: Quality, Protect ability, fulfilling the needs of consumer's and also the packaging's which will enhance the product's existence and built a strong image in the consumer's mind. Packaging plays a vital role in attracting consumers towards any product. Packaging is also used as the promotional tool for the companies and it includes: Colour, material, designs & other characteristics. Packaging is the overall package offer by the company to its consumers and stimulates the impulse buying behaviour. Packaging attracts consumers and increases its sale. It also reduces the marketing and advertisement cost of the product. In the past decades companies are not focused on their product packaging. Consumers did not attract towards the product and didn't purchase which will cause lack sale .But now companies are more focusing on the product packaging as there is a tough competition among all the FMGC products. Previous researches show that there is a disagreement between packaging quality and consumers buying behaviour. Consumer is very fond of new thing which attract them and the thing consumers hit at first sight is its attractive packing. Many researches focus on the elements of packaging, colour, material and other packaging materials which have the impact on the purchasing intentions of the consumers. Features & components of packaging is also focused in this research to develop hypothesis and to identify the true reality and perception behind the buying intentions of consumers towards FMCG products.

Research Question:

The Research question is to find out the impact of product packaging of snacks on consumers buying behaviour.

Objectives of the Study

1. To identify the packaging impact on the consumers buying decision.
2. To find out the impact of the packaging elements on consumers purchasing behaviour.
3. To measure the role of each packaging element on the consumer.
4. To identify the elements of packaging, which should be highlighted to attract consumers?

Justification

The research on “Impact of Product Packaging on Consumer's Buying Behaviour” is a useful tool for all FMCG companies which are conscious about their image and want to survive in the competitive market of FMCG industry. The companies will get advantage from this research by identify the buying behaviour of the consumer's towards any products and will apply different tools and strategies to capture the large Market share because after having the results of this research they are well aware about all the factors that attract consumer's and their buying behaviours.

Limitations

Limitations refers to the circumstances/conditions/settings the result will be applicable and what are the reasons of these limitations. By keeping in mind these things it is clear that this research is applicable in all FMCG companies in South Asian especially Salem as the sample population is the Salem consumer's.

Scope

There is a wide scope of the research on "Impact of Product Packaging On Consumer's Buying Behaviour" in Salem District because in the today's competitive world of goods and services provider companies and industries ,they want to get success and maintain their market presence for long terms and if they understand the buying intentions of consumer's by using the product packaging as a key element than they can easily maintain themselves according to the current demands, wants and consumer's preference and attractions towards a particular brands by establishing a new strategies by understanding the importance of each factor of packaging's.

Literature Review

Packaging itself plays an important part in marketing mix as it differentiates company's product from its competitors and is also the way to communicate with its consumers. According to(Ahmed, Billo&Lakhan,2012) Packaging is the last impression for consumers and they make purchasing decisions on the basis of product packaging which built a perception in the consumers mind, therefore it is very important that packaging is working hard to secure the sale ,this may be in the form of brand image, brand values ,product quality and innovations. Packaging performs multi-tasks and functions which describes the product & its features and also communicate with the consumers and also safeguard the product.(Silayoi&Speece, 2007). For example packaging of the product tells about different ingredients, usage of the product and also it tells about some precautions if the product has any side effects. The packaging sometimes includes different features like attractive colours, pictures, symbols that will enhance the attractiveness of any product. The role of packaging as a medium for communication and branding is increasing in competitive markets for FMCG products. Packaging is the jar or a container or a protection for a product. Packaging includes the names and the brand names, brand logos, pictures of the product, different kinds of labels such as ingredients, manufacturing and expiry date, warnings, price, using method of the product , company name ,company place etc. and the main function of the packaging is to easily and safely distribute the products.(Neeta &Sudha ,2014). The

research conducted by **Saeed, Lodhi, Mukhtar, Hussain, Mahmood and Ahmad (2013)**, incorporate the impact of brand image, brand attachment and environmental effects on consumers purchase decision and the study reveals that brand image have no positive relation with the consumer purchase decision and brand attachment and environment effects have moderate positive relation but no positive relation with the consumer purchase decision. Packaging is one of the foremost component of promoting, designing and plays a n important role in marketing .An honest and effective packaging will absorbs a lot of consumers and will increase peoples intentions on buying products (**Shruti,2014**).If the product have a good quality and unique packaging it remains in the mind of the consumer's for a long period of time and by this the consumers wants to buy that product at the time of shopping, so it itself did the promotion of that product by its packaging. Packaging should also be designed to promote product sales. As the packaging will influence consumers and hence change their buying behaviour towards that brand which will help company to generate revenue.(**Deliya&Parmar, 2012**). When people attract towards any product so it is common that they will buy that product which will increase its sales and company's revenue and this all can done only by attracting consumers towards any product at first sight and usually the first impression is the last impression that will lead to increase the existing sale performance . The packaging is that important key factor which we can use to attract our consumers at first sight. Packaging appears to be one of the important factors in purchase decisions that are made at the point of sale where it becomes an essential part of the selling process (**Silayoi&Speece,2004**). According to (**Saeed, Lodhi, Rauf, Rana, Mahmood& Ahmed, 2013**) consumers purchase more quantity of product after seeing its label so it is clear that labelling influence the consumers buying behaviour but there are many other factors that influence which influence the consumers buying behaviour. Colour plays an important role in the marketing of a product. It is the most powerful visual component of any product. It maintains a consumer's interest & is identified with that product ever after in the consumer's mind. The colour itself embodied many ideas and is often sufficient in it to communicate the message of the image it represents. Some researchers explains about packaging of colour is the most important factor that attract the consumers and change their intentions towards any brand and then their buying behaviour will automatically change from no purchases to start purchases. **Behzad (2014)** describe in his research that colours and graphics play important key roles in promoting product sales. Colour is an excellent source of information to communicate with the consumers either negatively or positively and it is estimated that 62-90% of people assessment and evaluation is based on colours alone. (**Singh, 2006**). Colours have many effects on consumer's thoughts, feelings and behaviours; so marketer should focus on the long employed of colours as a visual device to support cognition and thoughts and grasp consumer's attention towards the product. (**Labrecque,Patrick,& Milne,2013**). As it is said that green colour attracts the people as it is a part of nature so it attracts people towards itself. Like this, a company should be more focused while choosing a packaging colour which will effect on product for a long term and

will also have influence on the buying behaviour of the consumers. The packaging material and wrappers are also very important factors in product packaging; as most of the consumer's didn't buy the products due to creepy packaging material and wrappers. The study reveals that buyers trust in a product or brand declines steadily when its packaging is damaged-up to 55% of shoppers left the brand, and 36% move towards another brand. Many of the people of today century want more stylish and uniqueness so they want a good packaging material. The material and wrappers are also effect the sales as if the product is of good quality but it has no effective and good material of packaging the consumers will see and move towards another product which have of quality material and interesting wrapper designs. There is no significant difference between product involved consumers and uninvolved ones in terms of package design preferences for the healthiness expectations that it generates.(**Thomas, 2011**) Another research of (**Baik,2011**) explained that whenever a company design a high level product having superior elements and to look a superb impact of labelling on consumers buying behaviour so they will target the upper class. Because upper class people are those targeted market who are more conscious about their self-image in the society and for this reason they want to be extra ordinary careful while choosing any brand or product. Mostly they show themselves as a very classy group of the society so if the packaging of any product will be designed according to mind set and demands of the people so it change the behaviour or purchasing and increase the revenue. Producers have to build the applicable changes in product to satisfy the consumers need and differentiate them with their competitors. Innovation in a product measure some important factors for rising potency and effectiveness. (**Noorani& Setty, 2007**). Because everyone want something new after a certain period of time and for this a company always keep changes its strategies and product designs , features , colours and sometime they add more flavours to that product line to engage the consumers towards that particular brand. Another research conducted by (**Rundh,2005**) he further explains the multifaceted dimensions and try to supply or provide smart tips for establishing a range between promoting tool & promoting supply. A study conducted by (**Borin et al. ,2011**) performed an investigation in which he take out the result of varied levels of environmental information on key client metrics& also evaluated environmentally benign products versus those peoples who have negative environmental impacts. These client perception of product quality, value were reportable by them and also they get intentions didn't disagree considerably between product and positive messages from the environment and people with no message. They find out that product with negative environmental messages were throughout lower than products with positive environmental messages.

Methodology:

Theoretical Framework

The theoretical framework of dependent and independent variable can be expressed as follows:

Independent Variable

Packaging Colour

Colours play a vital role in the consumer's decision making and they attract customer's towards any product. Different colours have different meaning and can help to draw attention according to the consumer's mood.

Packaging Material

Packaging material has great influence on consumer's purchasing decision. High quality packaging attracts the Consumer's then the low quality packaging.

Design of Wrappers

The design of the wrapper also plays an important part to attract consumers. Companies use creative designs to attract customers.

Innovations

Innovation in packaging may add the extra value according to the needs and comfort for the consumers such as easy open, easy carry, protection, child-proofing, recyclability and non-breakability.

Dependent Variable:

Consumer's Buying Behaviour:

The consumer's buying behaviour is the sum total of the attitudes, preferences and decisions regarding the purchasing of any product or service.

Research Design

There are two types of researches quantitative and qualitative research. Quantitative research is about asking people for their opinions in a structured way so that you can produce hard facts and statistics to guide you. To get reliable statistical results, it's important to survey people in fairly large numbers and to make sure they are a representative sample of your target market. the research conducted to identify the impact of packaging on consumer's buying behaviour is a quantitative research .

Tools of Data Collection

There are two kind of approaches in data collection first is primary data collection which is used when we want to find new results which is mostly the Questionnaires and secondary data collection in which we use secondary data like : books, journals, newspapers etc for the research. we have collected data by identify the impact of 3 independent variables on 1 dependent variable. For this we use primary data collection technique in which we use questionnaire to find out the actual impact of product packaging on consumers buying behaviour.

Sampling Technique & Size

There are two major types of sampling techniques which are probability sampling and non-probability sampling. We are using probability sampling technique in which we use convenience sampling. The reason of choosing this technique is that every individual are using the FMCG product and they all know their impacts on the buying behaviour so we can find out the results on the behalf of the available population sample. The sample size of our research as we are using convenience sampling and the size are 100 questionnaires.

Population

The population of my sample is from Salem District.

Measurement/ Instrument

A questionnaire will be given to the sample population in order to identify the buying pattern of consumer's on the basis of given variables. Each variable is measure by asking the questions and ratings type scale ranging from:

1. Agree 2. Disagree 3. neutral

Methodology for Data Analysis:

To make correct analysis of the data we use SPSS software in which we make analysis in two parts:

1. Descriptive Analysis:

It is the technique in which we use to generate result in descriptive statistics. It shows maximum, minimum and mean value of data.

2. Correlation:

The Pearson's correlation is used to find out the relation between at least two variables. The values for

Correlations are:

1. 0.00 = No correlation
2. 1.00 = perfect/positive correlation

Other factors such as group size will be determined if the correlation is significant. Generally, correlation above 0.80 is considered pretty high.

Data Analysis & Findings:

Descriptive Analysis:

To analyse the research outcome the results of descriptive analysis of all dependent and independent variables are shown as follow:

The Minimum values, Maximum Values, Sum, Mean and values of standard deviation of all the variables are given. Number of observations of each variable is 100. All values of mean shows the central tendencies of each variable. Values of standard deviation, minimum and maximum show the dispersion of values from its mean. The mean value of Consumer Buying Behaviour is 3.4 where as its minimum and maximum values are 2.40 to 4.40. Similarly all the independent variables have different mean value as well as extreme values.

Correlation

Hypothesis:

H1: There is a relationship between consumer's buying behaviour and packaging colour.

Correlations between Consumer's Buying Behaviour & Packaging colour

Correlation is significant at the 0.01 level (2-tailed).

The correlation of two variables_ Consumer buying behaviour and packaging colour are positively correlated ($r=0.562$, $p=0.0001$). There is a moderate relationship between buying behaviour and packaging colour which is significant. So we can say that the hypothesis is accepted. Dark colours attracts people towards them easily so if we use dark colours in product packaging, it can easily grasp the consumer's attention

H2: There is a relationship between consumer's buying behaviour and packaging material.

Correlations between Consumer's Buying Behaviour & Packaging Material

There is a negative correlation between consumer's buying behaviour and packaging material ($r = -0.006$, $p = 0.914$). Hence the packaging material has no effects on consumer's buying behaviour. So we can say that Hypothesis is rejected.

H3: There is a relationship between consumer's buying behavior and Design of Wrapper.

Correlations between Consumer's Buying Behavior & Wrapper Design

Correlation is significant at the 0.01 level (2-tailed).

The correlation of two variables_ Consumer buying behaviour and Design of wrappers are positively correlated ($r = 0.443$, $p = 0.0001$). There is a moderate relationship between buying behaviour and design of wrapper which is significant. So we can say that the hypothesis is accepted.

H4: There is a relationship between consumer's buying behaviour and packaging innovations.

Correlations between Consumer's Buying Behaviour & packaging Innovation

Correlation is significant at the 0.01 level (2-tailed).

The above hypothesis is shown positive correlation between consumer's buying behaviour and packaging innovation ($r = 0.335$, $p = 0.0005$). So that it is clear that the hypothesis is accepted.

Conclusion & Recommendation:

Conclusion:

The research results of the impact of packaging on consumer's buying behaviour are as follows:

1. Packaging is the most important tool in the marketing of any product. It helps to communicate with the audience.
2. Packaging has different elements which influence on the consumer and hence change their buying behaviour.
3. In order to analyse the importance of each elements for consumer's choice to identify the impact of packaging and its elements on the purchase decision of the consumer. For this reason the elements are classified as: colour, Material, wrapper designs and new packaging techniques.
4. In this research we have been tested empirically this research model, Packaging elements, which have a vast influence on the consumer's preference and choice; from all the FMCG products.

5. It has clear that the packaging elements are the most important factors for consumer purchase decision.
6. The packaging colour has the positive relation with the consumers as the consumer's attract towards the dark and attractive colours and mostly they buy the products.
7. The packaging material has a negative relation with the consumer's buying behaviour .so it is clear that packaging material has no influence on the consumers choice.
8. Design plays a very important role in packaging as it capture the attention of the consumers by its unique and different styles. Hence it has a positive relation with the consumer's buying behaviour.
9. People want some new creations which attract them and change their perception towards the brand.

Recommendation

1. After the findings of the research it is highly recommended to all the FMCG companies to focus on the good and attractive packaging's which introduce any new product in the market.
2. It is recommended that marketers do not think that packaging is the least factor in the success of any product. They should kept in mind that the packaging is the first most tool for attracting the consumer's and built a perception in their minds, so it should be deeply focused.
3. It is recommended to other researchers that when they are taking packaging as a research topic they should also focused on the other marketing factors and dimensions as well.
4. For the researchers who are going to conduct research in future should focus the other elements of researches as well.

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