



Impact of Package Design on Consumer Behaviour of FMCG Products- A Study in Mangaluru

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Abstract

The buying behaviour of a consumer is the decision processes as well as the actions the consumer takes in buying and using products. Since packaging directly correlates to the quality of the product and since it affects whether or not a product is noticed on the store shelf, it can impact the consumer buying behaviour. As such, it needs to be fully utilized for communicating the brand message through design and messaging. A good packaging helps to identify product to the consumers. Packaging is used for easy delivery and for safety. The producer use the packing for the consumer satisfaction that the product is original means that the product is new.

The current study is undertaken to understand consumers' attitude towards the packaging and the influence of packaging on customers to switch from one brand to other brand. The city of Mangalore is taken as the area for the purpose of study. The main objective of the present study is to understand the behaviour of consumers and the impact of various attributes like size, design etc of packaging on the buying behaviour.

Key words : *Packaging, Brand, Attitude, Delivery.*

Introduction

Consumer behaviour is the physical activity and the process of decision-making on acquiring, using and disposing of goods and services. Hence, it is not only the purchasing of goods and services that receives attention, but the process starts much before the goods have been bought. The Consumer Behaviour is defined as activities that people undertake while obtaining, consuming, and disposing of products and services (et al Blackwell, 2001). "Consumer behaviour is the behavior that consumers display in searching for, purchasing, using, evaluating, and disposing of products and services that they expect will satisfy their needs" (Schiffman and Kanuk, 2007). The study of consumer behaviour includes the study of what they buy it, where they buy it, how often they buy it and how often they use it. In the entire process of buying , consumers get driven by influences such as feelings, motivation, income, lifestyle, opinions, culture, personality and so on. It is also important to know how consumers react

towards different product features, price, and advertisement, in order to ensure strong competitive advantage.

Consumers make number of decisions everyday and at times even when they are not aware of how and why they have made a choice. In reality, each and every market segment has its own purchase motivation. Price may be the important element when the product differences are viewed by that particular segment as being of little consequence. For others brand can be an important motive because they fear the risk involved in buying the untried item. For a great many products the point of distribution may be the most important deciding element. Quite often the final determinant is that of mere habit.

The first thing a person sees touches and feels while purchasing a product is its packaging. It is the consumer's first encounter with a product. These sensations may make a difference for an undecided customer in what he or she decides

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to purchase. This means that packaging is an important aspect of product planning. From the point of view of the company, the packaging must be protecting the product, and should give necessary information like manufacturing details, price, ingredients, and so on. From the point of view of the retailer, it has to be easy to display, should not tear or get damaged easily. Besides these, consumers may look for some extra features like freezer-safe packaging for food products.

Packaging for products has become essential part of brand identity. It is the most important means of product differentiation. In the consumer's mind, the package quality is the indicator of product quality. Packaging innovations have helped to substantially increase sales volumes. The purpose of this research work is to provide a better understanding of the effect of packaging on affecting customer's perceptions.

The importance of packaging design is growing in competitive markets for packaged FMCG products as a vehicle for communication and branding. Packaging is the container for a product surrounding the physical appearance and including the design, colour, shape, labelling and materials use. It has a huge role to play in the positioning of products like the package design shapes consumer perceptions and can be the determining factor in point-of-purchase decisions which characterize the majority of shopping occasions. A product's packaging is something which all buyers experience and which has strong potential to engage the majority of the target market. This makes it an extremely powerful and unique tool in the modern marketing environment. Packaging performs several functions. The most basic function of packaging is protection. Whether a product is in transit from the manufacturer to a warehouse, or a warehouse to a retail store, the packaging must ensure that the product is in tip top condition by the time it reaches its final destination. Packaging also must fulfil the role of relaying important product information to consumers. If there is information that consumers should know up front, a well-designed package will display this information in a way that is easy to locate, clear, and visually appealing.

The Product packaging forms the end of 'promotion-chain' and is very close in time to the actual purchase and may therefore play an important role in predicting consumer reactions. Packages also deliver brand identification and label information like usage instructions, contents, and list of ingredients or raw materials, warnings for use and directives for care of product.

Fast-moving consumer goods (FMCG) are products that are sold quickly and at relatively low cost. Examples for this include non-durable goods such as soft drinks, toiletries and grocery items. Though the absolute profit made on FMCG products is relatively small, they are generally sold in large quantities. Hence, the cumulative profit on such products can be very considerable.

Research Methodology

The present study is undertaken to understand consumers' attitude towards the packaging and the influence of packaging on customers to switch from one brand to other brand. The city of Mangalore is taken as the area for the purpose of study. The methodology used for the collection of data is face-to-face interview, using a structured questionnaire.

Research Design

Research design is both descriptive and analytical.

Sampling

Purposive random sampling method is followed. A sample of 100 consumers residing in and around Mangalore city is taken for the purpose of study.

Source of data

Primary data is collected through structured questionnaires, with the intention of representing the population properly; the sample is distributed among consumers.

Secondary data is collected through internet, magazines, relevant books, journals, and newspapers.

Research study area

Mangalore city is selected for the purpose of study.



Research tools

Statistical tools like z test and percentile methods are used for the analysis purpose.

Objectives of the study

- To find out the effect of Convenience, Brand Name, Aesthetic component, Information on Consumer Behaviour.
- To know the impact of various attributes like size, design etc of packaging on the buying behaviour.
- To find out the Consumer Attitude towards the Packaging of Products.
- To know the influence of packaging on product switching.

Hypothesis

- H1: There does not exist significant impact of convenient packaging of product on consumer behaviour.
- H2: Brand name has no impact on the consumer buying behaviour.
- H3: There does not exist a significant relationship between the aesthetic components of packaging and the consumer buying behaviour.

Limitations of the Study

- This study focuses on the consumers only in Mangalore city area. Hence, the findings of this study do not reflect the overall status of consumers in Mangalore.

Literature Review

According to Rundh (2005) in his study "The multi-faceted dimension of packaging", packaging attracts consumer's attention to a particular brand, enhances its image, and influences consumer's perceptions about the product.

Alice Louw (2006) has in his study opines that the that right packaging can help a brand carve a unique position in the marketplace and in the minds on consumers

As identified by Silayoi and Speece (2007) in a study on "The effects of packaging on consumer satisfaction and loyalty", the package plays a key role in the purchase choice when the consumer is undecided as it acts as a communication vehicle to him at the point of decision making.

Bed Nath Sharma (2008) studied "New Consumer Products Branding, Packaging and Labeling" in Nepal. He found that majority of the consumer products are using product label as a simple tag attached to the product or an elaborately designed graphic that is part of the package.

Butkeviciene et al. (2008) in his study on "Impact of consumer package communication on consumer decision making process opine that many companies use packaging as a tool to attract the buyers towards the product and to increase their sales.

Gonzalez et al. (2007) in a study on "Packaging as a tool for product development: Communicating value to consumers" conclude that packaging is the only thing that communicate a message about the product to buyer in the store"

Imram, (1999) in his study on "The role of visual cues in consumer perception and acceptance of a food product" concludes that consumer perceptions of an acceptable colour are associated with perceptions of other quality attributes like flavour, nutrition and also with satisfaction levels. Positive effect can be achieved by manipulating one or more packaging variables including packaging colour.

Kupiec and Revell, (2001) conducted a study on "Measuring consumer quality judgements", in which they opine that the consumer intention to purchase depends on the degree to which consumers expect that the product can satisfy their expectations.

Nancarrow (1998) feels in his study on "Gaining competitive advantage from packaging and labeling in marketing communications" that the product brands use a range of packaging attributes consisting of designs, shapes, colours, symbols, and messages.

Rettie and Brewer, (2000) in their study on "The verbal and visual components of package design" conclude that the importance of packaging design and the use of packaging as a vehicle for communication and branding is gaining momentum as packaging takes on a role similar to other marketing communication elements. The simple reason for this being the fact that the consumers may not think very deeply about brands before they go into the stores to purchase.



Saeed, Lodhi, Rauf, Rana, Mahmood & Ahmed, (2013) conducted a study on "Impact of Labelling on Customer Buying Behaviour in Sahiwal, Pakistan", in which they found that the consumers purchase more quantity of the well-labelled products. Hence, labelling influences the consumer buying behaviour, but there are some other factors also, which influence the consumer buying behaviour.

Underwood et al., (2001) in his study on "Packaging communication: attentional effects of product imagery" reveals that price and brand are the most important extrinsic values that decide on what food products to buy. He has defined packaging as one of the five elements of the brand together with the name, logo, personality and slogans. He suggests that the consumers can spontaneously imagine the aspects of a product as how it looks tastes, feels, smells or sounds by viewing product pictures on the package.

Data Analysis and Interpretation:

Percentile Analysis:

Socio - economic profile of respondents:

Table no. 1.1

Age (years)	No. of Respondents	Percentage
Less than 30	9	9
30 - 40	38	38
40 - 50	42	42
Above 50	11	11
Total	100	100

Table no. 1.2

Occupation	No. of Respondents	Percentage
Business	14	14
Professional	41	41
Govt. Employee	22	22
Housewife	15	15
Others	8	8
Total	100	100

Table no. 1.3

Monthly Income (Rs.)	No. of Respondents	Percentage
Below 10,000	7	7
10,000 - 20,000	24	24
20,000 - 30,000	36	36
30,000 - 50,000	20	20
Above 50,000	13	13
Total	100	100

The demographic characteristics of the respondents reveal that majority (42%) belong to the age group of 40 to 50 years, 38 per cent are between the age of 30 to 40 years. 41 percent of the respondents are professionals. 22 per cent are serving as the government employees. Nearly 36 per cent of the respondents draw a monthly income between Rs. 20,000 and Rs. 30,000. The monthly income of nearly 24 percent respondents is between Rs. 10,000 and Rs. 20,000.

Table No. 1.4: showing the type of packaging preferred

Factors	Frequency	percent
Keep the products clean and untouched	67	67
Keep the products in good condition	11	11
Provide information regarding the ingredients	18	18
Preserve food for long	04	04
Total	100	100

It is found from the above that packaging that keeps the products clean and untouched is preferred most by the respondents. The packaging that preserves food for long time is found to be less preferred by the respondents.

Table No. 1.5: showing the influence of packaging in product switching

Variable	Frequency	Percent
Yes	17	17
No	83	83
Total	100	100



The above table shows that 83 percent respondents do not switch to the other products with a change in packaging and 17 percent of them switch to other products as the packaging changes for a product.

Table No. 1.6: showing the most preferred component on choosing a product

Component	Frequency	Percent
Colour	9	9
Shape & size	38	38
Materials used	24	24
Text & Graphics	29	29
Total	100	100

38 percent respondents prefer shape and size of the package to the other attributes on selecting the products, 29 percent consider the texture and graphics, 24 percent consider the material used for packing, where as only 9 percent of respondents look for colour of packing while purchasing the products.

Z - Test

Z - Test of hypothesis for the mean follows the following formula and notations:

$$z = \frac{\bar{x} - \mu}{\frac{\sigma}{\sqrt{n}}}, \text{ where, } \bar{x} = \text{the sample mean}$$

n = sample size

μ = the hypothesized population mean

σ = population standard deviation

Null Hypothesis: There does not exist significant impact of convenient packaging of product on consumer buying behaviour.

Table No. 1.7:

Population Mean	3
Level of Significance	0.05
Population Standard Deviation	1.212353
Sample Size	100
Sample Mean	3.49
Standard Error of the Mean	0.1212353
Calculated z value	4.04
Table value	1.96

It is noticed in the above table that the calculated z value is more than the table value and it lies in the rejection region. Therefore, null hypothesis is rejected and accordingly, the hypothesis "impact of convenient packaging of product on consumer behaviour" does not hold good. Hence, it is inferred that the convenient packing of the product influences the consumer buying behaviour.

Null Hypothesis: Brand name has no impact on the consumer buying behaviour.

Table No.1.8

Population Mean	4.5
Level of Significance	0.05
Population Standard Deviation	1.249640
Sample Size	100
Sample Mean	3.72
Standard Error of the Mean	0.124964
Calculated z value	-6.24
Table value	-1.96

Since the calculated z value lies in the rejection region, null hypothesis is rejected and accordingly, the hypothesis "impact of brand name of product on consumer behaviour" does not hold good. Hence, it is inferred that the brand name of the product is positively related to the consumer buying behaviour.

Null Hypothesis: There does not exist a significant relationship between the aesthetic components of packaging and the consumer buying behaviour.

Table No.1.9

Population Mean	2.5
Level of Significance	0.05
Population Standard Deviation	1.112475
Sample Size	100
Sample Mean	2.68
Standard Error of the Mean	0.1112475
Calculated z value	1.62
Table value	1.96



The calculated value of z is lesser than the table value and it falls in the acceptance region. Therefore, null hypothesis is accepted and accordingly, the hypothesis "aesthetic components of packaging and the consumer buying behaviour" holds good. This says that the aesthetic component of the packaging does not affect the consumer buying behaviour.

Conclusion :

Packaging must reflect everything that the brand represents, attract consumer attention immediately and inform how it adds value to his life. In the era of super markets, packaging must bear all information that a person may want to know, as staff may not be around. It may be immediately discarded for some products or remain in use till the product is completely used. For the latter group, packaging must be sufficiently sturdy to last this duration and help in product consumption as well. Thus, the package will continue to reflect brand attributes in that part of the home.

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