

PACKAGING – AN IMPORTANT MARKETING TOOL FOR BRANDS

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Research Article

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ABSTRACT

The intention of this research is to analyse how packaging influences the consumer buying behavior of personal care products. As an example, we specifically include consideration of the importance of packaging of personal care product with respect to sales, brand recognition and providing information about the product to the end user. The consumer's buying decision is strongly based on packaging and its features, such as packaging color, packaging material, background image, design of the wrapper, printed information, innovations, and font style. The basic idea for conducting this study is to identify those packaging element that add value to personal care products and thus influence consumer buying behavior. This research will not only help marketers in bringing innovation and creativeness into the packaging of personal care products, but will also provide the policy makers to implement effective decision-making in bringing changes and creating strategy to packaging in general.

KEYWORDS: Packaging, Personal care products, Consumer buying behaviour.

INTRODUCTION

In the globalization era, improvement of technology, science, society, economies and education have provided people with a better standard of living and styles. Relating to the development of purchasing power of consumers and market trends that people become more conscious of hygiene and beauty (Souiden & Diagne, 2009), it has affected the rapid growth in the beauty care industry, especially in this decade.

Packaging is the science, art, and technology of enclosing or protecting products for distribution, storage, sale, and use. Packaging also refers to the *process* of design, evaluation, and production of packages. Packaging can be described as a *coordinated system* of preparing goods for transport, warehousing, logistics, sale, and end use. (Soroka, 2002). Packaging contains, protects, preserves, transports, informs, and sells in many countries and is fully integrated into government, business, and institutional, industrial, and personal use. Packaging has a huge role to play in the positioning of products. Package design shapes consumer perceptions and can be the determining factor in point-of-purchase decisions which characterize the majority of shopping occasions.

Most marketing textbooks consider packaging to be an integral part of the product component of the 4 P's of marketing: product, price, place and promotion. Some argue that packaging serves as a promotional tool rather than merely an extension of the product. Keller considers packaging to be an attribute that is not related to the product. For him it is one of the five elements of the brand – together with the name, the logo and/or graphic symbol, the personality and the slogans. While the main use for packaging can be considered to be protection of the goods inside, packaging also fulfils a key role in that it provides us with a recognizable logo, so that we instantly know which product is inside the package. From the consumer perspective, packaging plays a major role when products are purchased – as both a cue and as a source of information. Packaging is crucial, given that it is the often first thing that the public sees before making the final decision to buy. Packaging is now generally regarded as an essential component of our modern life-style and the way business is organized. Packaging is the enclosing of a physical object, typically a product that will be offered for sale. It is the

process of preparing items of equipment for transportation and storage and which embraces preservation, identification and packaging of products.

Packages are found to attract attention (Underwood et al., 2001; Garber et al., 2000; Goldberg et al., 1999; Schoormans & Robben, 1997). *In fact, Goldberg et al. (1999) found that by dismissing such non-verbal signs as colors, the attention to verbal signs can be increased. Pictures on packages are emphasized to attract attention, particularly when consumers are not very familiar with the brands (Underwood et al., 2001).*

Furthermore, packages are claimed to attract attention when their appearances are not typical within a product class (Garber et al., 2000; Schoormans & Robben 1997). In other words, Past research has discovered that deviating packages attract attention. Other studies show that deviating package colors and shapes attract attention (Garber et al., 2000; Schoormans & Robben 1997). Underwood et al. (2001), on the other hand, found that pictures on packages attract attention, particularly in cases when consumers are less familiar with a brand. Studies that have focused on other single signs than pictures on packages have found that such single package signs as colors (Gordon et al., 1994), brand names (Rigaux-Bricmont, 1981), and materials (McDaniel & Baker, 1977) convey brand meaning.

Since liberalization, 100% FDI is allowed in India. This has attracted foreign companies to penetrate the Indian market. The marketers always look for emergent trends that suggest new marketing opportunities and in India; a lot of opportunities are available. The personal care sector is one of the best and important sectors at the present time. There is a lot of future opportunity in this sector. The increasing trend of different cosmetic products, beauty care products, skin care products, hair care products, etc., fuels the market growing opportunity.

The market size of personal care products in the whole of India is about \$16 billion in US\$ in 2018, and anticipated to be about \$24 Billion in U.S.\$ in 2020. (<https://www.statista.com/statistics/744164/india-personal-care-market-size/>) The growth rate of these products is about 20% yearly. It is seen that the major driving force to buy the personal care products is either word of mouth publicity or opinion leaders. Visual merchandising is an important stage in personal care products while the consumer is deciding to make purchase and packaging of the product plays an important role over here.

According to Kotler and Armstrong (2001), consumer buying behaviour refers to the buying behaviour of the individuals and households who buy goods and services for personal consumption. Consumers around the world are different in various factors such as age, income, education level and preferences which may affect the way they avail goods and services. This behaviour then impacts how products and services are presented to the different consumer markets. There are many components which influence consumer behaviour; cultural, social, personal, and psychological (Kotler and Armstrong, 2001).

RESEARCH OBJECTIVES

1. To study customers perception of product packaging
2. To determine the impact of packaging on consumer buying behavior
3. To study the role of packaging in boosting the sales of a product
4. To study the relationship of brand and packaging of a product

RESEARCH METHODOLOGY

Research design:

This particular research study employs an *analytical descriptive research design*. The research is an exercise in exploration and evaluation of impact of packaging in consumer buying behaviour of personal care products. The research considers pie charts, correlations, graphs and other statistical tools.

Care was taken to minimize potential bias at every stage. Efforts were taken to collect as much information as possible through questionnaires, so that elaborated analysis was able to be carried out thereafter. The research design was closely linked with the objectives noted above, so that the essence of the information collected and analyses did not get diluted.

In this study, data were gathered from the regions of Mumbai, Thane and Navi Mumbai in India. The research population consisted of females of all age groups (girls still in school, working women, housewives, older retired ladies.) A stratified random sampling approach was used for this study. The target population of women was divided into different age categories depending on their level of usage of personal care products (known, at least in aggregate, from retail data). The samples were randomly selected from each stratum to ensure unbiased information. Overall, there were 50 respondents.

Data collection

The primary data collection method employed in this research is a structured questionnaire. The questionnaire had a few open-ended questions and mostly close-ended questions. The questions for this research were crafted in such a way so as to generate maximum information with minimum effort required on the part of respondent.

FINDINGS, ANALYSIS, AND DATA INTERPRETATION.

Age of respondents

The sample design for the survey is classified according to age; as noted earlier, only female respondents of different age groups were selected for the survey. A total of 50 respondents were selected for the survey as seen in Table 1:

AGE-GROUP	PERCENT OF RESPONDENTS	NO.OF RESPONDENT
BELOW 18	12.5 %	6
18-35	44%	22
35-60	30%	15
ABOVE 60	13.5%	7
TOTAL	100 %	50

Table 1: Age breakdown of respondents.

Figure 1 presents the results in a pie-chart format.

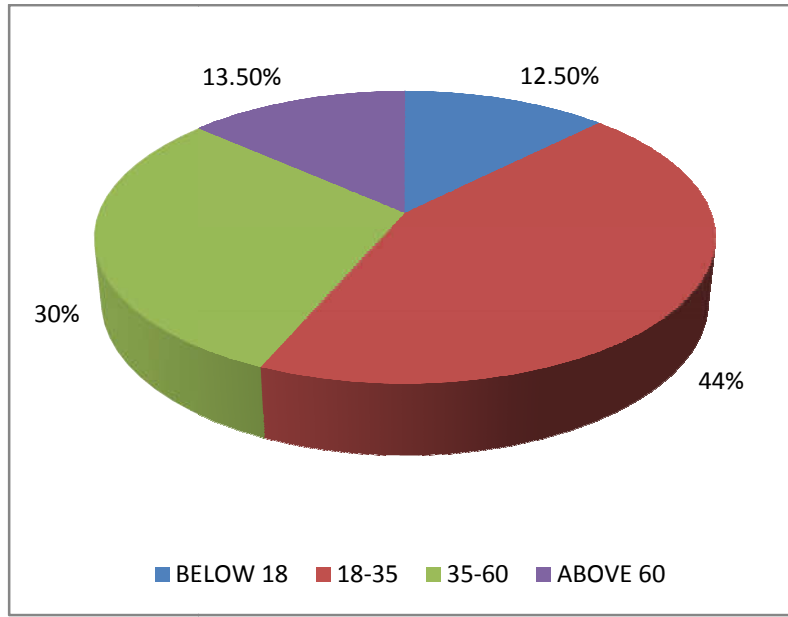


Figure 1: Pie-chart format of age distribution of respondents

Function of packaging

The respondents were asked for their opinion about the most important function of packaging. Results are shown in Figure 2.

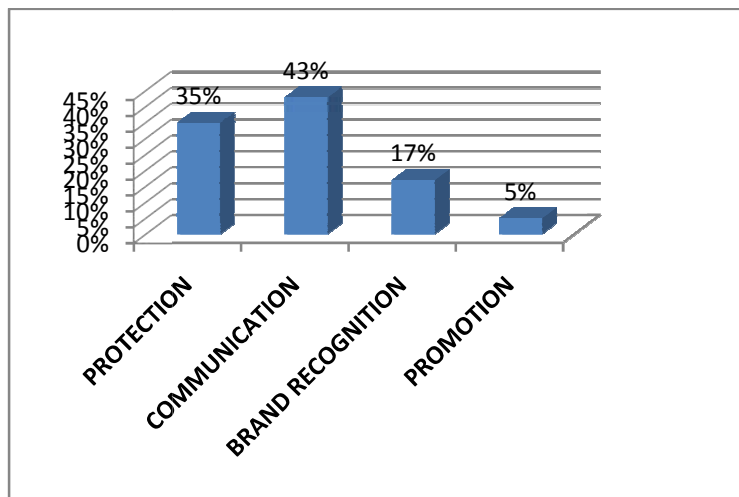


Figure 2: The most important function of packaging

The parameters or function of packages provides a competitive edge to the companies. We see in Figure 2 that packaging as an essential reason for communication is observed to be 43%, followed by 35% as protection of products, and least being promotion, at 5%. Table 2 provides a cross-tabulation of the age breakdown and the primary purpose of packaging

AGE-GROUP	PROTECTION	COMMUNICATION	BRAND RECOGNITION	PROMOTION	PERCENT OF RESPONDENTS
< 18	1	2	3	0	12.5%
18-35	9	10	2	1	44%
35-60	5	7	2	1	30%
ABOVE 60	3	3	1	0	13.5%
TOTAL	35%	43%	17%	5%	100%

Table 2: Cross-tabulation of age by packaging purpose

Effects of packaging

For personal-care products, respondents were asked how packaging affects them. They were given four choices and asked the pick the one that captures their view most closely. The choices offered and the results revealed by that question are shown in Figure 3.

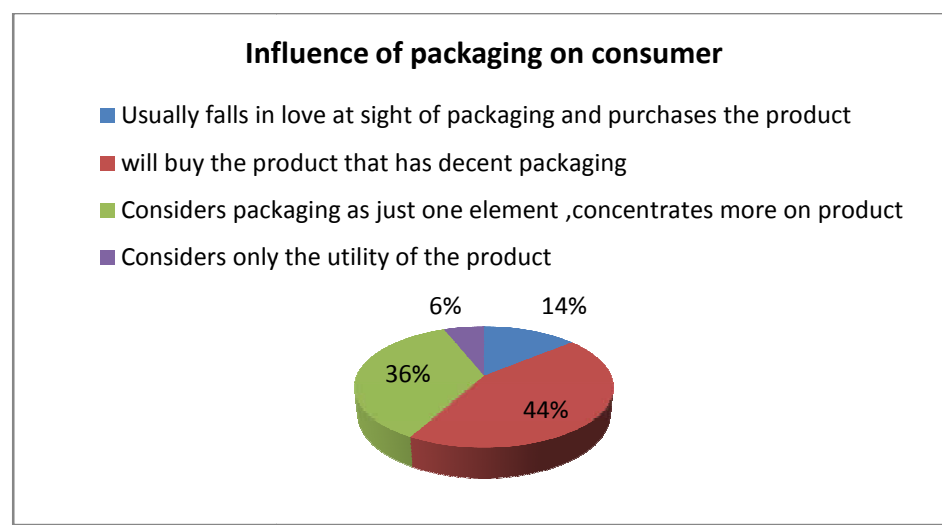


Figure 3: Primary influence of the packaging to the consumer

One can note from Figure 3 that, on average, 44% of female consumers care a lot about the state of the packaging. And, around 14% of the females fall in love with the sight of packaging and end up buying the product. However, 6% of the females feel that the utility of product is the sole reason for buying the product. We see a shift of thinking from ultimate utility of product to the impact of elements like packaging contents, shape of packages, brand image ,advertisement , etc that influence purchase decisions. We also note that 36% of the respondents somewhat minimized the role of packaging and focused much more about the product.

The following graph in Figure 4 displays the potential impact of additional appeals of packaging - for example, the fabric, glitter, neon colors, etc.

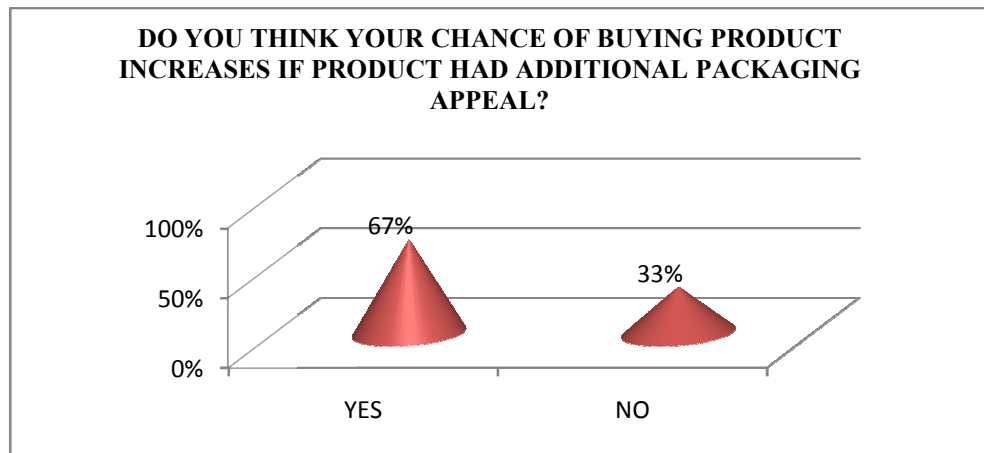


Figure 4: The % of respondents who might increase the probability of purchase if the package had more appeal.

Packaging definitely abets the sale of the product if the packaging of product is attractive. Observation in Figure 4 shows that 67% of respondent believed that their chances of the buying the product would increase if there were additional appeal in the packaging. This viewpoint differed substantially by age, as shown in Table 3.

AGE-GROUP	YES	NO
BELOW 18	90%	10%
18-35	86%	14%
35-60	62%	38%
ABOVE 60	28%	72%

Table 3: Cross-tabulation with Age and Belief in the role of packaging

Contents of packaging

Respondents were asked if they really pay careful attention to the *contents* of packaging. The results of that question are displayed in Figure 5.

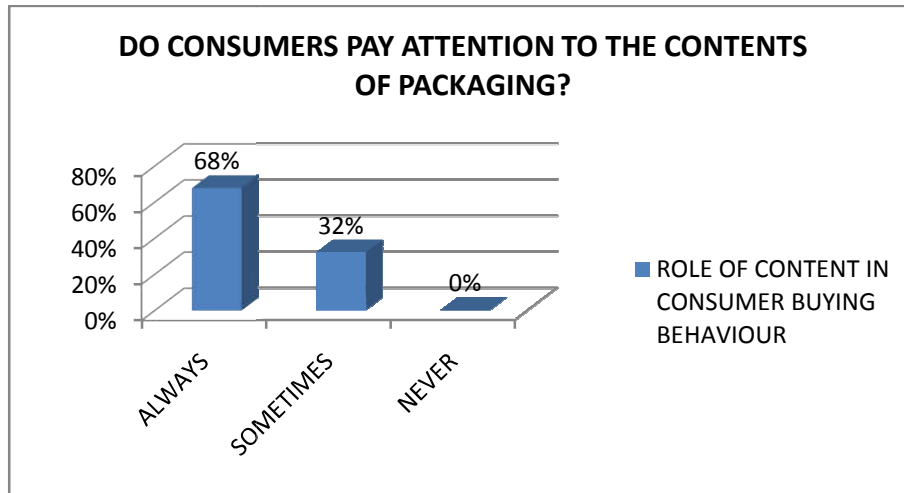


Figure 5: The degree to which consumers pay attention to contents of packaging

Consumers these days are very conscious of skin-related products. Correspondingly, consumers want to know the ingredients of the products they apply to their skin. Hence, contents of packaging play an eminent role in providing information. From the study of response it is seen that around 68% of female personal-care users always pay attention on the contents of products. It has also been observed that there are no respondents who are totally ignore the contents of packaging (or, we must add, are willing to admit that they do not pay any attention to the contents!!) These results also vary substantially by age, as shown in Table 4.

AGE-GROUP	ALWAYS	SOMETIMES	NEVER
BELOW 18	67%	33%	-
18-35	80%	20%	-
35-60	82%	18%	-
ABOVE 60	43%	57%	-

Table 4: Cross-tabulation of age and degree of attention given to contents of the packaging

It can be seen in Table 4 that those respondents over 60 had a materially lower percentage (43%) of “always” paying attention to the contents listed on the packaging, compared to the other age groups. The below 18 group was a small amount lower (67%), compared to their more experienced counterparts in the 18-60 age groups.

Effect of color of packaging

Figure 6 displays, on a yes/no basis, the degree to which the color of the packaging affects the purchase of the product.

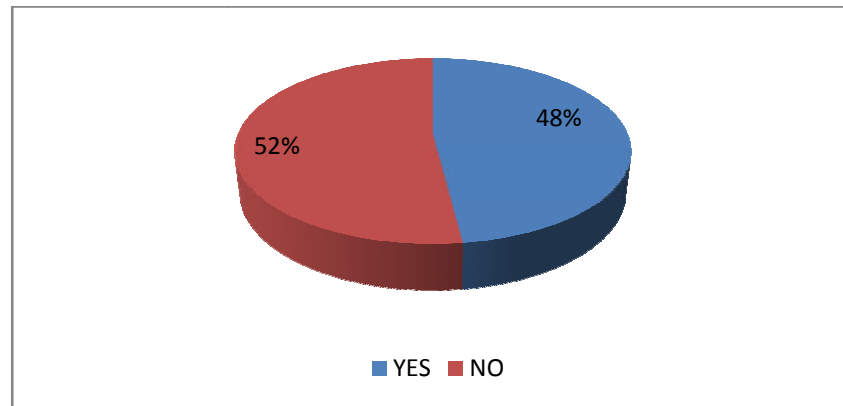


Figure 6: Percent of respondents who indicate that the color of the packaging may affect purchase

About 48% of the respondents indicated that the color of the packaging (e.g. - Pond's black tube of cream or different colors of bottles available for Vaseline body lotion) affect or influence purchase, while 52% of respondent indicated that the color doesn't influence the purchase of the product. Such a question needs to be very carefully crafted, in that several products have packaging of different colors that are actually *different variations of the product* - e.g., different strengths of the products. This is not what we have examined here. We are examining the identical product in all ways with different color packaging.

As might be expected, based on past results, these opinions vary substantially by age group, as depicted in Figure 7.

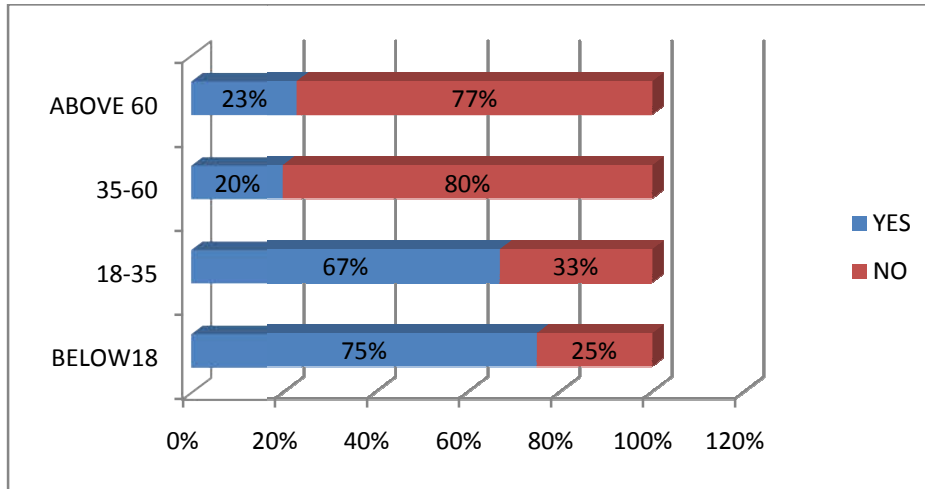


Figure 7: Cross-tabulation of age and opinion about the role of color

Amount spent on purchase of personal-care products.

While not directly related to packaging, we give the reader more of a feel for the products being used in our study by reporting on the amount spent by the respondents on personal-care products monthly. Recall that our entire sample consists of females. These results are shown in Figure 8.

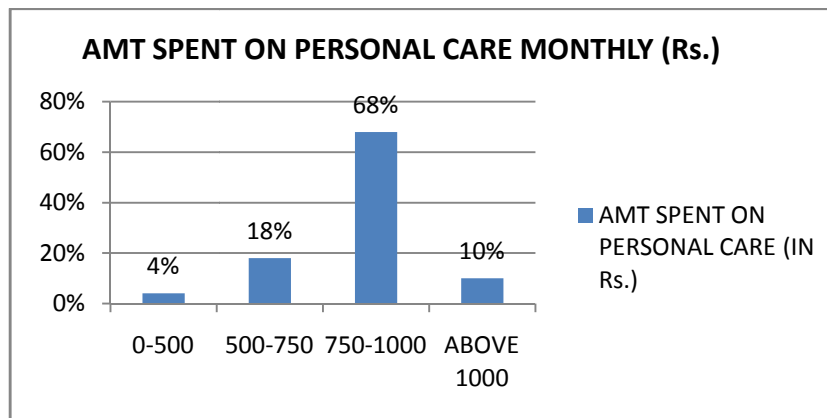


Figure 8: Amount spent on personal-care products per shopping venture.

We are living in an era in which most women always want to look presentable. Hence, there is growth of awareness of personal care among females (at least in India, if not world-wide). Most every girl wishes to look pretty and thus, tries to buy the best

cosmetics and personal-care products within their financial capacity. On average, 68% of females spend in between Rs.750-1000 on personal care products per month. These products would include sanitation, cosmetics, skin care, etc. The range of rs.0-500 has only 4% of people. Around 18% of respondent spend Rs.500-750 monthly. And lastly, 10% of people readily spend more than Rs. 1000 monthly for personal care products.

Packaging elements that influences most on purchase of personal-care products

This research study revolves around the packages of personal care product. There are many elements of packaging that have been studied. Respondents were asked to indicate their priority for the different elements of packaging. The results are displayed in Figure 9. It can be seen that content printed on packages, such as the manufacturing date, expiration date, the weight of each ingredient, etc., received 30% of the choices. This is followed by 25% of the choices devoted to creativity of packaging; the least chosen element of those offered was the means to re-open the package of product, at a mere 8%.

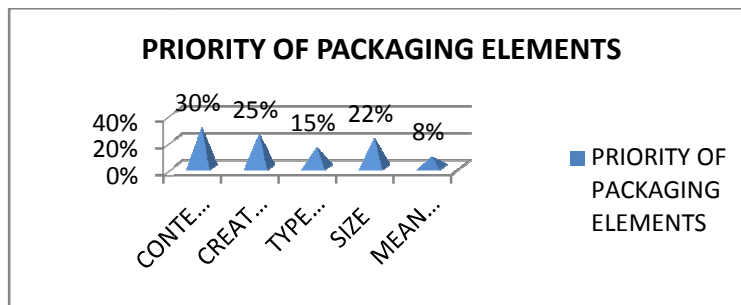


Figure 9: Priority of packaging elements

While framing a marketing strategy, management should address the presentation of the contents of packages in very careful manner, along, of course, with protecting the product. There should be no manipulation in the data printed on the package.

Willingness to pay for premium packaging of personal care product

Respondents were asked if they would pay a premium for superior packaging (amount unspecified, but to be consistent with reasonable practice.) It can be seen in Figure 10 that nearly 60% of the respondents answered, "Yes."

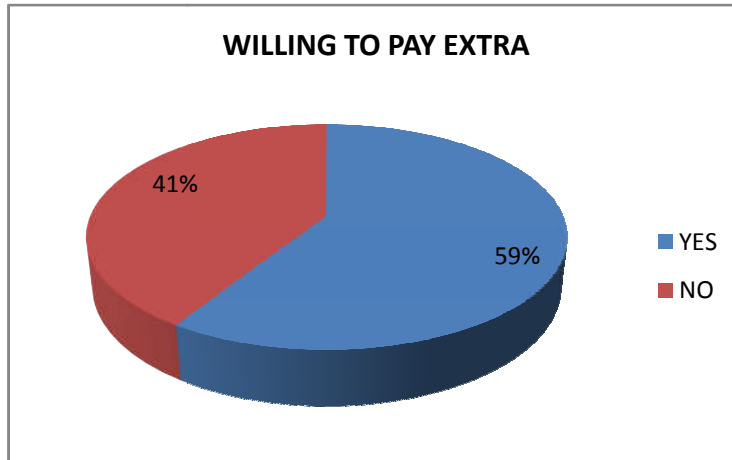


Figure 10: Willingness to pay extra for superior packaging

There is a significant growth of importance of the packaging industry in global markets. This shows that packaging is an effective marketing tool in order to increase the sales of product and gain a competitive edge. As in a few earlier cases, the responses to this question varied by age, as shown in Table 5. It is noted that the 59% overall average varied from 88% for those below 18 years of age, to only 27% for those above 60 years of age. The research shows that around 59% of respondent are willing to pay premium price for their product. And surprisingly around 88% of below 18-year of age group are willing to pay.

AGE-GROUP	YES	NO
BELOW 18	88%	12%
18-35	64%	36%
35-60	56%	44%
ABOVE 60	27%	73%

Table 5: Cross-tabulation of age group and willingness to pay extra for superior packaging

Influence of packaging on brand name of personal care product

Respondents were asked the important question as to whether packaging connected to, and reflected on, the brand of the product. We remind the reader that our results are

for personal-care products and we make no claim at this moment that the results hold true for other classes of products, *although we have no reason to believe otherwise*. Figure 11 shows the results we found.

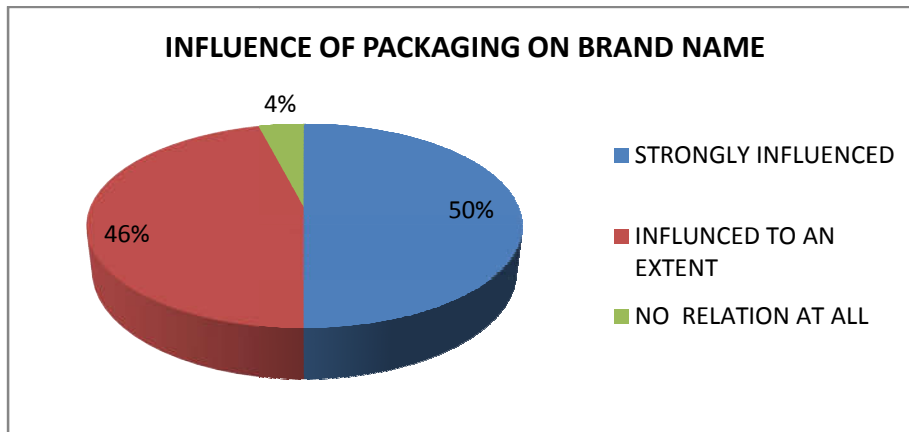


Figure 11: Influence of packaging on attitude toward brand name

Figure 11 indicates that the association between the brand name and packaging of personal care products is a strong influence, capturing 50% of respondents’ beliefs. It is expected that a good cosmetic brand would have a good packaging for its product. 46% of females think that only to “an extent” is there is association between brand name and packaging. Indeed, however, only 4% of respondents feel there is no association at all between the two. The Indian female consumer would expect a difference in physical appearance when she purchases M.A.C cosmetics and HIMALAYA cosmetics. This is because of the prevailing viewpoint that brand name and packaging go hand-in-hand. Still, yet again, the responses varied by age group, albeit, somewhat more modestly than in the previous couple of examples. The results are presented in Table 6.

AGE-WISE RESPONSE

AGE-GROUP	STRONGLY INFLUENCED	INFLUENCED TO AN EXTENT	NOT INFLUENCED AT ALL
BELOW 18	48%	52%	-
18-35	30%	70%	-
35-60	68%	31%	1%
ABOVE 60	52%	45%	3%

Table 6: Cross-tabulation of age group and brand/packaging connection

Reporting of flaws in packaging

When there is a flaw in the packaging of a personal care product, there are 3 options which the consumer can choose. One is to directly complain to the personal care company - i.e., the seller; another is to directly complain to the retailer from where the product was purchased; a third option, of course, is to not to directly complain at all. The latter case does not, of course, preclude informal “word of mouth” complaining to friends, family and acquaintances. Figure 12 shows the respondents’ replies to this query.

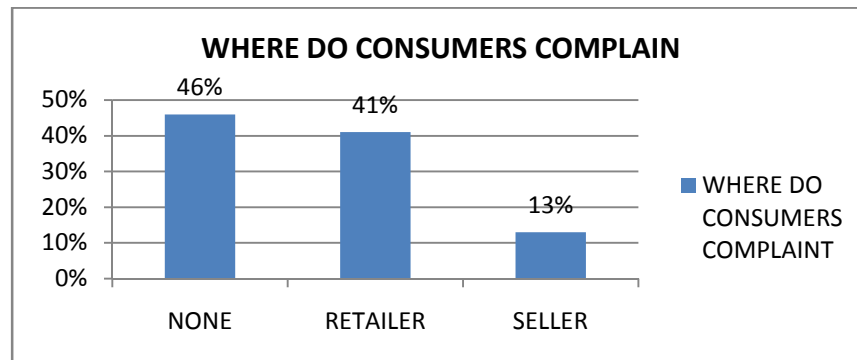


Figure 12: Response to flaws in packaging

The consumer is supposed to be considered as the king (or, perhaps we should, here, say “queen”) of the market. However, is he/she always treated as king/queen? It would appear not, as shown in Figure 12. There have been various instances where a consumer is cheated and there are flaws in packaging. For example, some products fail to have a seal which shows that the product might not be brand-new. In cases like this, 46% of the respondents indicated that they would choose to take no action, 41% would complain to the retailer and merely 13% of respondents would express their grievance to sellers/manufacturers of the product. Yet again, however, this varied substantially by age group, as shown in Table 7. The age-group over 60 was much more likely than the other groups to not formally complain. (Perhaps that is expressing an attitude of “life’s too short!!!!”)

AGE-GROUP	NONE	RETAILER	SELLER
BELOW18	46%	48%	6%
18-35	35%	54%	11%
35-60	32%	48%	20%
ABOVE 60	72%	16%	12%

Table 7: Cross tabulation of age group and response to packaging flaws

Conclusions

Here are our conclusions about the results of our research on the impact of packaging on consumer buying behavior of personal care products:

- Packaging should be treated as a valuable tool in today's marketing communications, necessitating more detailed analysis of its elements and the impact of those elements on consumer buying behavior.
- Appropriate and vivid picture or packaging color, which delivers a happy feeling, as well as an easy handling/opening/dosing/disposing of the package are important. All of these elements contribute, each important in its own right to catch a consumer's attention and interest. Beside each element's individual function, a superior combination of all of these elements may let the product be more eye-catching and attractive.
- The impact of package and its elements on a consumer's purchase decision can be revealed by analyzing the importance of its separate elements. For this purpose, the main packages' elements should be identified: graphics, color, size, material of packaging, wrapper design, printed information, brand should all be considered as important.
- Moreover, the impact of packaging elements on consumer buying behavior should be evaluated, depending on the consumer's involvement level, time pressure, and the individual characteristics of consumers.
- Consumers may be willing to spend extra for premium packaging of personal care products. This may extend, and, indeed, is likely to extend, to other products; this latter sentence is likely to be true for most other products – however, we will refrain from repeating this sentence over and over.
- It has revealed that elements of a package are important for consumer purchase decisions. Size and material are the main visual elements, while product information is the main verbal element when purchasing personal care products.
- Often the packaging is perceived to be part of the product and consumers may not separate the packaging, product, and brand. Aspects, such as content of packages, color of packages, the fabrics or additional appeal, can have a huge influence on how a product is perceived.
- On the basis of the survey, it has been observed that packaging provides ease to marketers as it communicates directly to the consumer the purpose of the product, rather than advertising and other promotion activities.

- The study reveals that packaging and brand image of the company are positively related. Packaging has a significant impact on brand image in the minds of consumers.

Limitations

There are four key limitations to our study. We have acknowledged them in our initial discussion. One limitation is that we have restricted our study to only one product class, Personal-Care Products. Another limitation is the relatively small sample size. A third major limitation is that the study took place only among females and a fourth limitation is that the study concentrated on respondents from, in essence, only one city, Mumbai.

We believe that all of these limitations can be overcome and eliminated with future studies. We add that the third “limitation” (females only) is somewhat tied to having only one product class, one very heavily dominated by females.

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