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Effects of Packaging on Consumer Buying Behaviour with Respect to FMCG Industry in Mumbai City

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1.INTRODUCTION

Selection and Relevance of Problem

Any company's logistics must implement an effective and efficient packaging operation. Additionally, it makes it possible for you to store goods efficiently so that you may stack orders, put them on pallets, and transport them around the warehouse with ease while getting ready for delivery. Protective packaging is used while items are being readied for transit in order to restrict product movement and minimise needless damage.

Along with safeguarding the goods, packaging facilitates effective delivery, makes storage simple, and can communicate important handling instructions—all while simultaneously promoting your business. With the right process in place, a clever use of packaging can allow any business to deliver large quantities in an efficient way, freeing up space, reducing costs, and saving valuable time. Above all, packaging has an important role in keeping its contents and consumers safe.

A distinctive package can make a product more alluring and influence consumers' inclination to purchase it. As crucial as the product itself is the packaging. Its goals are to differentiate itself from competing products on the shelf or website, increase sales, offer pertinent product information, and pique attention. According to two thirds of individuals, packaging influences their purchasing decisions. A product's packaging can also reveal a great deal about the company that created it as well as the economic, social, and environmental effects of the product. It serves as a vehicle for expressing the company's ideals and the many advantages the product offers to customers. Your company's packaging will give your consumers, clients, or distributors their initial impression of you. This makes it a worthwhile marketing opportunity, allowing a business to advance their brand and preserve their reputation for professionalism. Through this research project, consumer buying behaviour of people with respect to packaging is explored. By effectively understanding the nature and amount of people's perception about the market, businesses can make wiser choices towards packaging.

2. LITERATURE REVIEW

The Concept of Packaging

Packaging can be defined quite simply, as an extrinsic element of a product, anattribute that is related to the product but does not form part of the physicalproduct itself (Olson & Jacoby, 1972; Musa, 2015). It is the container for aproduct encompassing the physical appearance of the container and it includes the design, colour, shape, label, and materials used (Arens, 1996; Musa 2015).

It is used to identify, describe, protect, display as well as to promote the product and to make it readily marketable, storable as well as to protect it against damage. Packaging is the process of designing and producing the container or wrapper which stores, protects, identifies and promotes a product. It can include three types of packaging: primary, secondary, and distribution (shipping) package (Kotler 2002; Grundey, 2010).

Packaging forms an important part of the sales process. An appropriate packaging is able to play its role as a silent seller. Packaging now is not only a rapping of product that holds the information regarding product and themanufacturer of a product but also is the ultimate selling proposition stimulating impulsive buying behaviour, increasing market share and reducing promotional costs (Okeke & Amobi, 2020).

Packaging is all material used for the containment, protection, hard delivery and presentation of goods. It is the container which is necessary to convey a product to the ultimate consumer.

3. RESEARCH METHODOLOGY

Objective:

- 1. To study the impact of packaging of FMCG products on consumer buying behaviour
- 2. To understand whether packaging influences consumers to switch from one brand to another brand
- 3. To analyse how well the companies are able to gain customer loyalty
- 4. To identify the elements of packaging, which should be highlighted to attract consumers.
- 5. To measure the relative impact of each packaging element on the consumer

Hypothesis

Hypothesis 1

- H0- There is no significant relationship between high quality of packaging and increase in consumer sales
- H1- There is significance relationship between high quality of packaging and increase in consumer sales

Hypothesis 2

H0- There is no relationship between buying behaviour and colour of packaging

H1- There is relationship between buying behaviour and colour of packaging

Hypothesis 3

H0- There is no relationship between buying behaviour and printed information

H1- There is relationship between buying behaviour and printed information

Hypothesis 4

H0- There is no relationship between buying behaviour and various types of packaging material

H1- There is relationship between buying behaviour and various types of packaging material

Scope of study

This paper surveyed 104 people between the age of 20-60 years

Most of the people were either students 40%, with the survey also covering those who were retired or housewives.

Most of them gave several brands who's packaging they were fond of.

Most of them preferred Tetra Pack for their packaging

97.1% prefer their packaging to be environment friendly

The study area was thus broad and an adequate representation of the real world

Sample Size:

The sample size of the study was 104 people. The method of random sampling was used.

Limitations of study:

- This project surveyed only people living in Mumbai and did not cover people living outside of the city, or even outside of the country
- The people gave their choice of packaging and their products based on the ones sold in Mumbai city only.
- Moreover, compared to millions of people across the world, this study had a sample size of 103 people so cannot be sure how accurately the sample matches the sentiments of the greater majority.

Despite the limitations, the study has tried to cover people across age groups, gender and professions to gain as broad of an understanding as possible of the topic.

4.DATA ANAYLSIS AND INTERPRETATION

An interview with Varsha Mahale (Undergraduate BMS Student)

Q: How important is packaging for you as a consumer?

A: Not quite important when it comes to essential hygiene and medical products but it would be interesting to find pretty packaging on stationary or FMCG products.

Q: What are your thoughts on eco-friendly packaging? Is the need for it imminent?

A:Yes definitely, not only is it good for the environment but also would help us keep our towns cleaner. In addition, the manufacturing process tends to be more efficient, further reducing precious resources and minimizing the negative impact businesses have on the environment

Q: Which FMCG brand's packaging do you like in particular? What is the reason for your choice?

A: I really like Paperboat because back when it was launched, the idea of a beverage being sold in pouches was quite new and also their colour scheme on their packaging is eye catching.

Q: What elements (ex: portability, colour, size, etc) should a well packaged product have in your opinion?

A: For me personally, I would love to see bright colours on my packaging. I think it looks very aesthetic and I usually tend to buy packaging which is very attractive. I would want there to be portability with my products since I am always on the go and would want a product I could carry with me easily.

An interview with Ambakshi Thakur (CA & Management Consultant at Deloitte)

Q: How important is packaging for you as a consumer?

A: Packaging is a really important component of a product. Packaging personifies the image and reputation of the brand to its customers. A well packaged product instills the idea of good quality to the customer.

Q: What are your thoughts on eco-friendly packaging? Is the need for it imminent?

A: Eco friendly packaging is the need of the hour. Climate change needs utmost importance and companies can play an important part in spreading awareness about this issue. Companies should promote eco-friendly packaging and can use this as their USP while marketing their products.

Q: Which FMCG brand's packaging do you like in particular? What is the reason for your choice?

A: I love the packaging for Pringles. Very recently they have switched to sustainable packaging and do not use plastic as a component. The brand has created a unique place for itself in the market not just in terms of the cylindrical shape of the box but also shape of its chips. For me the vibrant colours and shape of the package would be a selling point.

Q: What elements (ex: portability, colour, size, etc) should a well packaged product have in your opinion?

A: A well packaged product should keep the product safe, sturdy and reliable. The packaging should be informative, attractive and eco-friendly. The most important would be the convenience to the consumers as well as retailers.

CONCLUSION

The obtained results of research on role and the impact of packaging on consumer's buying behavior lay down the following conclusions:

- The components of packaging serve as an effective tool for marketing communication directed at consumers, as individuals place significant importance on the features presented on the package.
- According to the survey, the color of packaging aids consumers in distinguishing their preferred brands, while simultaneously attracting the
 attention and interest of companies. Therefore, color, along with other packaging elements, enhances the visual appeal of the marketing offer
 and sets it apart from competing products. Consequently, H1.2 is validated.
- Consumers appreciate product labels because they provide essential information regarding the product, including its origin, contents, and
 usage instructions. The details conveyed through labels also assist companies in promoting their products within the marketplace.
- The survey indicates that packaging information is a crucial element that can enhance the marketing communication strategies of companies, thereby shaping brand image and identity. Consequently, H1.3 is validated
- Printed information encompasses all details pertinent to product quality, pricing, and descriptions, which assist customers in recognizing the
 product and streamline their purchasing decisions.
- My research reveals that a majority of consumers express satisfaction with the quality of products after acquiring their preferred packaged items. While it cannot be asserted that there is a perfect correlation between effective packaging and superior product quality, there exists a favorable perception and trend suggesting that well-designed packaging is indicative of high product quality. Indeed, as consumer expectations continue to rise, the significance of packaging has increasingly become evident in its role of serving consumers by providing essential information and fulfilling various functions. Given its diverse functionalities aimed at facilitating communication with consumers, the strategic importance of packaging in capturing consumer attention and shaping perceptions of product quality is undeniable.

• An appropriate and vibrant color scheme for the packaging, which evokes a sense of happiness, along with a design that facilitates easy handling, opening, dosing, and disposal, plays a crucial role in capturing the attention and interest of consumers. Each of these elements serves a significant purpose individually; however, we believe that a well-coordinated combination of these features can enhance the product's visual appeal and attractiveness.

The obtained results also show the language used on the package influences consumer behavior during the buyingprocess.

RECOMMENDATION

- It is highly recommended to all the business units that they should not ignore packaging factor and consider packaging as one of the most essential tool for organization and product success in the marketplace.
- A country should set high packaging standards for business units which should be environment friendly, such policy should be strictly followed by all business units as this will not only promote the product but will also preserve the environment for the long run.
- All the marketing units pay attention for good packaging. They accept that poor packaging is one of the causes of product failure in the market. It is necessary to set the packaging standard and to implement accordingly for better protection and promotion of a product.
- The consumers are properly guided by label to use the products. The information given in the label and its value have to be highlighted while promoting the product in the market.
- Brand is important and its strategy is in consideration in the units. Product packaging is valuable for brand equity, product differentiation, market segmentation, new product introduction, pricing, promotion etc.

APPENDIX

Questionnaire

Part 1 - General Questions

1. Name

- 2. Age Group
- o 15-25
- o 25-35
- o 35-45
- o 45-55
- o 55-65
- 3. Profession
- o Student
- o Self-Employed
- o Job
- o Retired

o Housewife / househusband

Part 2 - Research Questions

4. On a scale of 1(least likely) -5 (most likely), how much does the size of packaging control your purchase?

- o 1
- o 2
- o 3
- o 4
- o 5

5. On a scale of 1-5, how likely are you to purchase a product if the packaging is easily portable?

- o 1
- o 2
- o 3
- o 4
- .+

o 5

6.Do you consider packaging in the last five minutes of purchasing a product?

o Yes

o No

o Maybe

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