



Role of Packaging on Consumer Buying Behavior With Special Reference to Personal Care Products

KEYWORDS

consumer behavior, personal care product, FDI

Dr. Ashvinkumar H. Solanki

Associate Professor, School of Management, RK University, Rajkot – 360005

ABSTRACT

The study of consumer behavior is most important factor for marketing of any good or services. The consumer behavior suggest how individual, groups, and organization select, buy, use and dispose of goods, services, ideas or experience to satisfy their needs and wants. It also clues for improving or introducing products or services, setting price, devising channels etc. 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 here in India. The marketers always look for emergent trends that suggest new marketing opportunities and here 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.

Introduction of the Industry

Personal Care Industry in India

The Indian personal care industry is estimated at Rs 170 billion. The industry is divided into fabric wash, personal wash, hair care, oral cares, skin care, colored cosmetics, men's toiletries and fragrances. Most segments of this industry are going through a decline in 2002 with several leading players reporting lower sales in 2002 due to lower volumes as well as lower realization. The next phase of growth has to come from the rural market as the urban markets are near saturation levels in terms of penetration. The industry has a low entry barrier and competition is severe. Besides the large multinational players, there are some leading domestic players as well as the huge unorganized players. Though most of the market share is with the larger players, companies vie for the marginal market share. Cheaper imports and duplicate products are also affecting the major players.

Personal Care Products - Global Outlook

The global outlook series on Personal Care Products provides a collection of statistical anecdotes, market briefs, and concise summaries of research findings. The report offers exclusive precludes, and primers on global Cosmetics and Toiletries markets such as Skin Care Products, Hair Care, Oral Hygiene, Shaving Products, Bath & Shower Products, Facial Care, Lip Care, Feminine Hygiene Products, Deodorants, Fragrances & Perfumes, and Baby Toiletries. Laced with 140 supporting market data tables, facts, and figures, the report also includes a compilation of recent mergers, acquisitions and strategic corporate developments. PAGE 4

§ Dabur India

FMCG company with interests in healthcare (ayurvedic), personal care & food products; headquartered in Ghaziabad, Uttar Pradesh; brands include Dabur Amla, Dabur Chyawanprash, Vatika, Hajmola & Real

§ Personal Care Products Food Companies Ayurvedic

Products

§ Hindustan Unilever Ltd (HUL) BOM: 500696

India's largest fast-moving consumer goods company & one of the country's largest exporters; headquartered in Mumbai; deals in home & personal care products and foods & beverages; brands: Lifebuoy, Lux, Surf Excel, Rin, Lakme etc

§ Personal Care Products Food Companies

§ Colgate Palmolive India BOM: 500830

Oral care, personal care & household care products company based in Powai, Mumbai; products: toothpastes, toothbrushes, shower gel, bar soap, skin care, tooth whitening, fluoride therapy, mouth ulcer treatment etc

§ Personal Care Products

§ Godrej Consumer Products Ltd (GCPL)

Personal, hair, household & fabric care products company based in Mumbai; products: toilet soaps, hair colour, liquid detergent etc; brands include Cinthol, Fairglow, Ezee, Nupur etc; also does contract manufacturing of soaps

§ Personal Care Products

§ Nirma

Business group whose main interest is in detergents & soap; other products: salt, scouring products, linear alkyl benzene (LAB), AOS (alfa olefin sulfonate), sulphuric acid, glycerin, soda ash, single super phosphate etc; based in Ahmedabad, Gujarat

§ Chemicals Personal Care Products

§ Procter & Gamble (P&G)

The company comprises P&G Hygiene & Health Care Ltd

(makes FMCG products like Vicks, Whisper) & P&G Home Products (fabric & hair care products like Ariel, Tide, Head & Shoulders, Pantene etc)

§ Personal Care Products

§ Marico

Leading FMCG company based in Mumbai, with products & services in the areas of hair care, skin care & healthy foods; brands include Parachute, Saffola, Sweekar, Hair & Care, Nihar, Shanti, Mediker, Revive, Kaya, Sundari and Aromatic

§ Food Companies Personal Care Products

§ L'Oreal India

Indian subsidiary of the Paris-headquartered cosmetics company L'Oreal SA; brands include L'Oreal Paris, Garnier, Maybelline New York, L'Oreal Professional, Keratase, Matrix, Lancome, Giorgio Armani, Ralph Lauren, Diesel, Kiehl's etc

§ Personal Care Products

§ Elder Pharmaceuticals Ltd

Pharmaceuticals company based in Mumbai, with manufacturing facilities in Nerul, Pawane & Patalganga (Maharashtra); product range include bulk drugs, consumer products etc; brands: Shelcal, Eldervit, Chymoral, Tiger Balm etc

§ Pharmaceuticals Personal Care Products

§ Karnataka Soaps & Detergents Ltd

Government-owned company that is one of the largest producers of sandalwood oil & sandal soap in the world; based in Bangalore; makes Mysore Sandal Soap, incense sticks, talcum powders, detergent, sandalwood oil etc.

REVIEW OF LITERATURE

Rita Kuykaite (2009) has descriptive research. According to Rita package attracts consumer's attention to particular brand, enhances its image, and influences consumer's perceptions about product. Also package imparts unique value to products (Underwood, Klein & Burke, 2001; Silayoi & Speece, 2004), works as a tool for differentiation, i.e. helps consumers to choose the product from wide range of similar products, stimulates customers buying behavior (Wells, Farley & Armstrong, 2007). Thus package performs an important role in marketing communications and could be treated as one of the most important factors influencing consumer's purchase of package, its elements and their impact on consumer's buying behavior became a relevant issue. He basing on theoretical analysis of package elements and their impact on consumer's purchase decision empirically reveal the elements having the ultimate effect on consumer choice.

Bed Nath Sharma Dec. 2008 studied New Consumer Products Branding, Packaging and Labeling in Nepal. This paper focuses on existing practice of branding, packaging and labeling of new products in consumer product manufacturing units. The study method was Descriptive presentation of facts collected through questionnaire survey concerned with different section of consumer new products (soap, biscuit, noodles, cigarettes and The study further

investigates the new consumer product packaging and labeling status in manufacturing units. They are aware about the value of packaging and labeling. Majority of the consumer products 84.37% (27 out of 32 responses) are using product label as a simple tag attached to the product or an elaborately designed graphic that is part of the package. Alice Louw (2006) has studied The Power of Packaging the people belonged to Age 20-30 years old University graduates were taken for research. 20 respondents were asked to rank 5 water bottles in terms of their overall appeal. Following this, they were given a questionnaire and asked to rate each of the bottles on 20 statements related their packaging. For the remaining 20 respondents, the order of the process was switched: they rated the bottles first and then ranked them. The statements ranged from functional attributes (e.g. easy to drink from, right size) to more emotive, non-functional attributes (e.g. I like the colors, high quality). For both groups there was a clear winner and a clear loser in terms of the rankings. However, although the top brand chosen was consistent in both groups, the worst brand differed.

RESEARCH METHODOLOGY

Research methodology explains the method of conducting research and shows the logical sequences of the steps involved in research. Research methodology includes the following: Problem statement

The prospects often get converted by the ads and the price. But the study reveals that the packaging plays a major role in the consumer decision making process. The packaging has a greater influence on the impulse buying behaviour.

Objectives of the study

- To find out the effect of packaging on the buying behavior.
- Theoretical analysis of package elements and their impact on consumer's purchase decision empirically reveal the elements having the ultimate effect on consumer choice in a case of different products
- To check the effect of packaging elements on the buying behavior.
- To measure the relative impact of each packaging element on the consumer.
- To identify the elements which should be highlighted while design the packaging.

Hypothesis

H0: There is equal level of influence of all the elements in packaging

H1: There is no equal level of influence of all the elements in packaging

Limitations:

§ The present study will be conducted keeping in view the available data.

§ Proper care should be taken for analysing the data.

§ The sample so selected may not justify the population.

§ Time factor would also cause difficulties.

A. Sources of the Data:

Primary and Secondary Data both will be used for the research.

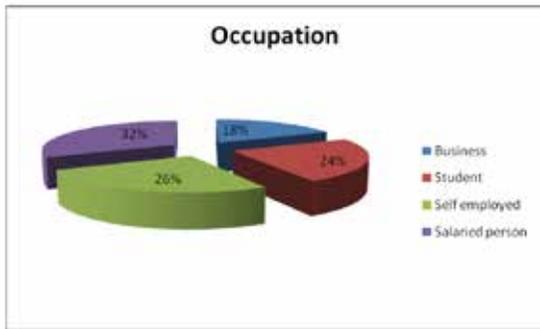
B. Sampling

- Type of research : Descriptive
- Sampling Method: Convince Sampling
- Sampling Unit: Users of personal care products
- Sample Size: 50
- Population: Consumers of Rajkot City
- Data Collection Method : Questionnaire & Observation Method

C. Analytical Tools used:

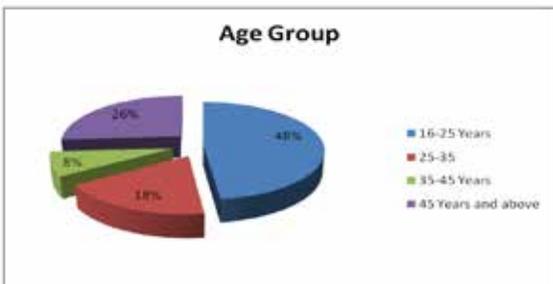
- Charts
- Factor analysis
- SPSS software -version17
- MS Excel- Spreadsheet

DATA ANALYSIS AND INTERPRETATION



Interpretation:

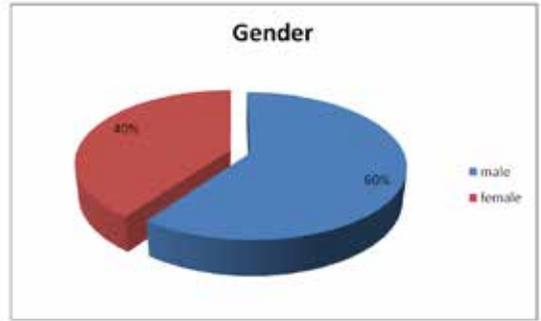
The above chart suggest that major response i.e. 32 % from the respondents who fall under the category of salaried person whereas self employed were 26% and student and business person being rest with 24% and 18% respectively.



Interpretation:

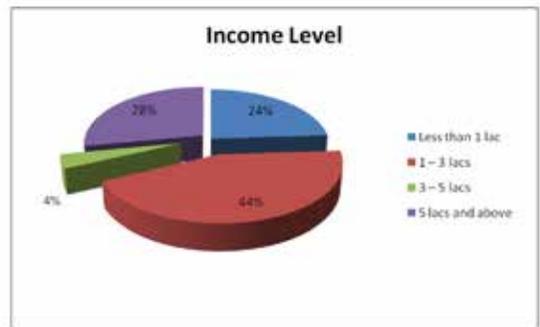
The above chart shows The respondent's age classification wherein the major respondents were from the age group of 16-25 years (i.e.48%) followed by 45 years and above with 26% and rest being 25-35 years and 35-45 years with

18% and 8% respectively.



Interpretation:

The above chart shows that the major respondents are female about 60% and male 40%. The gender has a significant impact on deciding the preference about the packaging on consumer buying behavior.



Interpretation:

The above chart depicts the income group of respondents major being 44% in group of 1 lac to 3 lacs and followed by more than 5 lacs and less than one group. The income level of the respondent has a major impact on the consumer buying behavior.

CONCLUSION

Even though the consumer is not dissatisfied with the packaging available on the market, he would still like to be tempted by functional and attractive packaging ideas, by multisensory appeal and creative design - preferably with packaging ideas made from board. He acknowledges additional benefits and appeal and is even willing to pay an extra charge for them. Good starting points for improvements, changes, innovations which optimize the features of packaging that determine buying decisions and thus generate new market potential can be summarized in consumers' top ten requests about product packaging.

REFERENCE

- K Rita (2009), impact of package elements on consumer purchase, Kauno technologijos universitetas, Lietuva, ekonomika ir vadyba.
- 2) S Bed (2008), new consumer products branding, packaging and labeling in Nepal, the Journal of Nepalese business studies, Vol. V No. 1
- 3) L Alice (2006), the power of packaging, united states of america, pp 186-216
- 4) Ampuero, O. and Vila, N. (2006), consumer perceptions of product packaging, Journal of consumer marketing, 23/2, 2006, pp. 100-112.
- 5) L Renaud (2007), The influence of label on wine consumption : its effects on young consumers' perception of authenticity and purchasing behaviour, Bologna, Italy.
- 6) S Katharina and Rolf Wüstenhagen* (Sept. 1, 2005), the Influence of Eco-labelling on consumer behaviour, institute for economy and the environment (IWOe-HSG), University of St. Gallen, Switzerland
- 7) John Th gersen (2000), the ethical consumer moral norms and packaging choice. Journal of consumer policy Kluwer Academic Publishers. Printed in the Netherlands.
- 8) Barber, N., Almanza, B.A., & Donovan, J.R. (2006), motivational factors of gender, income and age on selecting a bottle of wine. International Journal of wine marketing, 18 (3), 218-232.