

THE ROLE AND SIGNIFICANCE OF PACKAGING IN CONSUMER BUYING BEHAVIOR IN INDIAN PERSONAL CARE INDUSTRY

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INTRODUCTION: The internet revolution has given more negotiating authority to consumers. Today, consumers are well-versed and they have updated information about brands and point of sales location. The cost effective online platforms are providing up-to-date information to target segments about the brands. The e-commerce and m-commerce platforms are also providing supports to corporate to influence niche segments effectively. The globalization of world economy has changed the business structure and market dynamics of many industries. Now the corporate are selling goods across the geographical boundaries. In majority of countries, governments have taken liberal approach and this has made markets more competitive and customer centric. The product packaging was not major area of concern in past, as markets were fragmented and dominated by the manufacturers. Now the situation has changed and corporate are giving equal importance to all the dimensions of marketing, including packaging. From durability point of view also packaging is very important. The packaging technologies are also considerably upgraded and also comparatively cost effective. Specifically in fast moving consumer goods (FMCG), now the corporate are taking support of automation in packaging to provide consistent supply of quality products. From communication point of view, the packaging is now very critical factor as it is the first point of interaction with customers. Specifically in urban India, consumers are giving higher importance to packaging as they have multiple options in point of sales. This paper mainly focuses on personal care industry of FMCG sector. From product durability point of view, the packaging is critically important in personal care product. The life span of product is considerably affected in personal care product if it is not done properly. Many times, good products are also rejected due to improper packaging. The personal care markets are heavily dominated by women segments. To target man's segments many brands are introduced by the corporate. But still it is dominated by the women segment. In India, the literacy level of the women segment has considerably improved specifically in urban India. Now the urban women are more conscious about hygiene and beauty. This paper attempts to understand consumer perception about packaging in Indian personal care industry of FMCG sector.

LITERATURE REVIEW : In the paper of Asiya Faisal Khan, Mohd Faisal Khan (2013), the researchers mainly focused on women segment. In primary research, they attempted to understand influence of product packaging on women skincare buyers in Indore city. The paper also tried to measure perception of women about product packaging in skin care segments. In primary research, questionnaire was circulated to 125 people. The responses were received from 114 respondents. The convenient sampling method was deployed in primary research. The chi square test was used for statistical analysis. In the conclusion part, they have clearly favored importance of the packaging in skin care segment. The finding indicates that the high-quality and eye-catching packaging adds value and quality of the products. They have also suggested that the corporate need to focus more on research to improve packaging of skin care products. Their suggestion was given to corporate to provide multiple packaging option to consumer to make products more acceptable in markets.

In the paper of Dainora Grundey (2010), the researcher mainly focused on cosmetic brands. Both, primary and secondary data and information were used in this research paper. The primary research in survey form was conducted at Kaunas city, Lithuania. The researcher had chosen four brands; two foreign brands and two local brands. The main focus of this paper was on functionality of product packaging. The finding of the research clearly highlights the importance of packaging in cosmetic industry. It is important for product shelf life and also in marketing communication. The finding indicates that the packaging is the first point of communication for consumers and it communicates very important thing to the consumers. In the primary research, it had observed that the similar marketing strategies pertaining to packaging were adopted by the foreign brands. The local brands were quite similar in their marketing strategies but quite open for innovation compare with foreign

brands. Overall findings highlighted the importance of packaging for successful accomplishment of short term and long term business strategies of the organization in this industry.

SCOPE, OBJECTIVES AND RESEARCH DESIGN: The literature review clearly indicates that the packaging plays very important part in consumer decision making process. It is important specifically when multiple options in terms of brands are available and switching cost for consumers is nominal. In fast moving consumer goods (FMCG), the consumers normally prefer to spend less time in decision making process and because of that branding plays decisive role. For primary research, following objectives are identified.

- ✓ To understand consumer perception about impulsive buying in Indian personal care industry.
 - ✓ To understand perception about various characteristics of packaging in Indian personal care industry.
- The cross sectional convenience design is used in data collection. The questionnaire was circulated to 250 peoples out of which, 238 respondents have given their responses. For selected questions, ANOVA test is used for hypothesis testing.

DEVELOPMENT & TESTING OF HYPOTHESES :

Hypothesis 1:

H₀: Consumers provide equal importance to all basic sales related attributes in buying of personal care product;

Ho: $\mu_{price} = \mu_{brand\ image} = \mu_{packaging} = \mu_{corporate\ brand\ image} = \mu_{quantity} = \mu_{offer\ and\ discount}$

H₁: Consumers do not provide equal importance to all basic sales related attributes in buying of personal care product; Ho: $\mu_{price} \neq \mu_{brand\ image} \neq \mu_{packaging} \neq \mu_{corporate\ brand\ image} \neq \mu_{quantity} \neq \mu_{offer\ and\ discount}$

Hypothesis 2:

H₀: Consumers provide equal importance to all basic packaging related characteristics in personal care industry;

Ho: $\mu_{Colour} = \mu_{Design} = \mu_{material\ quality} = \mu_{product\ description}$

H₁: Consumers do not provide equal importance to all basic packaging related characteristics in personal care industry; Ho: $\mu_{Colour} \neq \mu_{Design} \neq \mu_{material\ quality} \neq \mu_{product\ description}$

Sr. No.	Statement	Result
1	H ₀ : Consumers provide equal importance to all basic sales related attributes in impulsive buying of personal care product; Ho: $\mu_{price} = \mu_{brand\ image} = \mu_{packaging} = \mu_{corporate\ brand\ image} = \mu_{quantity} = \mu_{offer\ and\ discount}$ H ₁ : Consumers do not provide equal importance to all basic sales related attributes in buying of personal care product; Ho: $\mu_{price} \neq \mu_{brand\ image} \neq \mu_{packaging} \neq \mu_{corporate\ brand\ image} \neq \mu_{quantity} \neq \mu_{offer\ and\ discount}$	ANOVA Test Numerator Degree of freedom: 5 Denominator Degree of freedom: 1422 Level of significance: 0.05 Acceptance limit: 2.21 F Statistic : 42.62 Ho is rejected
2	H ₀ : Consumers provide equal importance to all basic packaging related characteristics in personal care industry; Ho: $\mu_{Color} = \mu_{Design} = \mu_{material\ quality} = \mu_{product\ description}$ H ₁ : Consumers do not provide equal importance to all basic packaging related characteristics in personal care industry; Ho: $\mu_{Colour} \neq \mu_{Design} \neq \mu_{material\ quality} \neq \mu_{product\ description}$	ANOVA Test Numerator Degree of freedom: 3 Denominator Degree of freedom: 948 Level of significance: 0.05 Acceptance limit: 2.60 F Statistic : 35.84 Ho is rejected

Hypothesis 1

The rejected hypothesis indicates that the consumers are not giving equal importance to all the attributes in their buying decision. In personal care product, the brand image plays most important role followed by quantity and price. As the product usage directly affects the health of individuals, the consumers are more conscious about brand image. The respondents have also given importance to the corporate brand image attribute. But at the same time they believe that in FMCG consumers prefer to spend less time and normally their focus is more on brand of the product rather than the image of the parent organization.

Hypothesis 2

The null hypothesis is rejected. It has observed that the respondents give more importance to the packaging material quality compared to other attributes. As the personal care products are used for longer duration of time, the packaging material quality directly affects the durability of the product. The respondents have also given importance to the product description part, as the consumers prefer to spend considerable amount of time in analyzing the product features. The least importance is given to the “colour”, as the brand image is more important than attractiveness of external appearance.

MAJOR FINDINGS AND CONCLUSION :

✓ Regarding frequency of purchase, almost 56 percentages of respondents are buying personal care products once in two month. Compare to other FMCG products, the durability of personal care product is more. Again, in terms of point of sales locations, multiple options are available with the consumers which restrict them in building extra inventory.

✓ Regarding brand switching, the respondents have shown their loyalty (63 percentages of respondents) to brand. Generally, they don't like to switch to other brand as long as the product performance is up to the expectations. The switching happens only when some other brands are providing considerable benefit in terms of product performance.

✓ Regarding consumer decision making process, it is observed that the situation plays crucial role. When they desire to buy goods in bulk, the price is one of the important factors. At times value added offer also plays important role like free conditioner with shampoo. But still, as the consumer's brand and market knowledge has considerably improved after internet revolution, the brand equity plays decisive role.

✓ The substantial reduction in cost of telecommunication services along with up gradation of service quality from 3G to 4G, is providing and enhancing product and market knowledge of consumer almost on real time basis.

✓ It is observed that the companies are not willing to experiment in colour and other packaging attribute as the wrong tryout puts the brand equity on high risk. The durability of primary packaging is also important factor in consumer buying decision.

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