

# ROLE OF PACKAGING AND LABELING ON PAKISTANI CONSUMERS PURCHASE DECISION

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## Abstract

The objective of this study is to determine role of packaging and labeling on Pakistaniconsumer's Purchase decisions. The purpose of this research is to examine the essential factors, which are driving the success of a brand and how these factors motivate the consumers while he/she involves in purchase decisions for any particular brands of FMCGs goods. This research also identified the relationship between the dependent and independent variables who are main contributors in this whole purchase and motivation behavior. This is the primary research and data has been collected through questionnaire and for analysis purpose SPSS software has been used. In this study samples of 100 respondents has been collected and tested the reliability of the model. According to the finding of the research study, it has been observed that the packaging and Labeling are the most important factors. It is further concluded that the packaging elements like its Color, Packaging material, Design of Wrapper and innovation are more important factors while consumers making any buying decision. Finally it has also been concluded that the Packaging is one of the most important and powerful factor, which influences consumer's purchase decision.

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**Keywords:** Packaging & Labeling; Purchase decision; Independent variables; Dependent variables; Motivation Behavior; Reliability; Innovation; Design of Wrapper

## Introduction

Role of packaging has been changing today's environment due to the competition and change Packaging and labeling is related with designing and producing of suitable packages for a product (Ahmad et al, 2012). The

Packaging and Labeling of the brand has a most influential factor to the consumer choice. Consumer buying behavior is way through individual purchase products, which satisfy their needs and wants (Rettie & Brewer, 2000).The basic purpose to examine all these packaging tools is to analyze packaging tools and their influence on consumers buying decision and how influence consumer-buying choice to choose from different types of products (Erzsebet&Zoltan, 2007).

Now a day’s rapid growth in the packaging types considers the packaging as fundamental tool of marketing (Barber, Almanza& Donovan, 2006). Superior packaging of the products is easy to protect and transport the product from one place to another place also its beneficial to cover the loss and wastage. It gives a worth to the product internal and outer market of the country (Maiksteniene, and Auruskeviciene, 2008). Today most of the companies consider the packaging and labeling as an affirmative root it leaves first impression on consumers to buy the products. Superior packaging attracts the consumer’s attention towards the new products (Alice, 2006).

According to Ampuero & Vila (2006)the packaging has played a crucial role in product storage, branding, protection and recognition in addition to inform and attractthe consumer. The Packaging was a huge global industry in 2010, the packaging segment was estimated \$670 billion and also observed to expect this to reach \$280 billion by at the end of 2016 Worldwide (Karbasivar and Yarahmadi, 2011).

The packaging is the key element of marketing communication toward the consumer. Packaging affects the consumer perception to choosing the product during the shopping. Branded packaging is also important because consumer associate a brand’s image with how its product is packaged. The Brand image is the main factor, which attracts the customer due to packaging (Rita, 2009).



According to Ahmed et al (2014) the packaging is the important element which affect the consumer buying behavior, where the packaging portray the knowledge about the goods

When we look on today's market the packaging industry have a rapid growth in different types of packaging and the utilization of packaging material, it touches from six million to ten million and it also helps the consumer's what they think about the product (Madden et al, 2000).

- It supports the consumer's in purchasing decision
- It also raises the importance of the product and company
- It emphasizes the likeness of the product in store.
- It also build the relationship with customers and also draw the attention of new customers
- It improves the efficiency of market budget and also made the cost effective. Also raise the margin and products competition (Madden et al, 2000).

Now, packaging has become itself a sales promotion tool for the organizations. The consumer's buying behavior also stimulated by the packaging quality, color, wrapper, and other characteristics of packaging (Adelina et al, 2007). Packaging is a whole package that becomes an ultimate selling proposition, which stimulates impulse buying behavior. Packaging increases sales and market share and reduces market and promotional costs (Bloch, 1995). According to Rundh (2005) package appeals consumer's attentiveness towards a certain brand, increases its image, and stimulates consumer's perceptions about product. Furthermore, packaging conveys distinctive value to products (Underwood 2003; Silayoi, & Speece 2007); packaging works as an instrument for differentiation, and helps consumers to decide the product from wide range of parallel products (Wells, Farley & Armstrong, 2007).

The results of all under consideration to prove that there is no any hard and fast rule with classify the packaging's impact on consumer's buying behavior as well as showing no effect on research methods. Most of the researcher's doing efforts to examine all components, which have impact on consumer mind buying behavior (Stravinskiene, Rutelione, Butkeviciene 2008).

The basic reason for doing this research is to find out the data of the packaging, there are many brands in the market but every brand has its own value to the consumer mind but the packaging and Labeling have a significant impact on consumer mind, which this study is trying to find out.

### **Problem Statement**

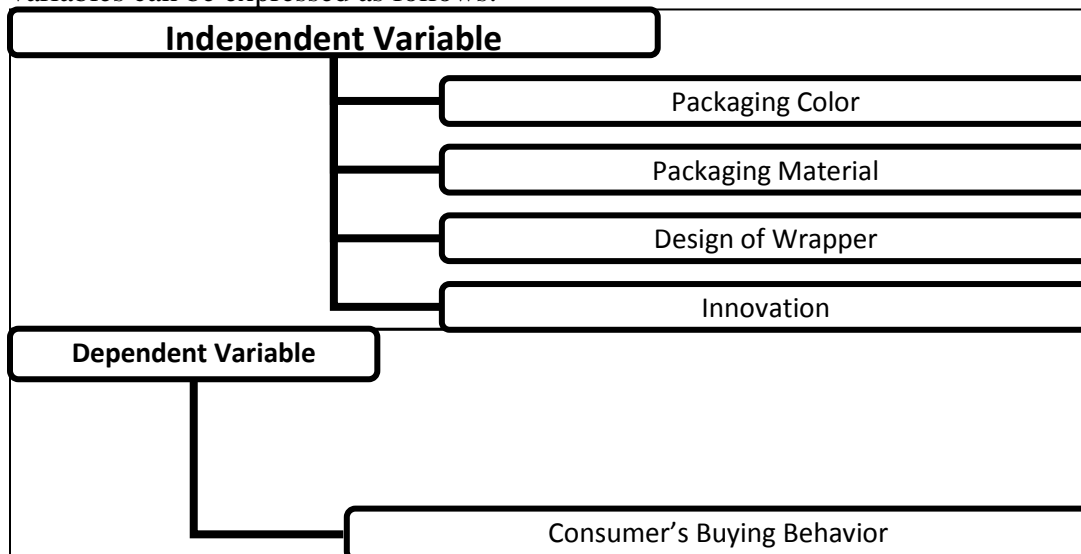
Main purpose of this research is to figure out the impact of packaging & Labeling to the consumer perception about the product and see

the link between consumer buying behaviors toward the packaging& Labeling, and how packaging and Labeling affect consumers Mind and buying behavior.

## MATERIAL AND METHODS

### Theoretical Framework

The theoretical framework between independent and dependent variables can be expressed as follows:



### Independent Variable

- **Packaging color**  
Color plays an important role in a potential customer's decision-making process, certain colors set different moods and can help to draw attention.
- **Packaging Material**  
Any material used especially to protect something- packing, wadding. Consumer can change its decision regarding Packaging material. High quality Packaging attract consumer then low quality Packaging. So packaging material has strong impact on buying behavior.
- **Design of wrapper**  
The overall design also plays a vital role in attracting the consumer. Mostly the children of 10-18 years are so sensitive to the design of wrapper. The companies try their best to create attractive design of packaging.
- **Innovation**  
Innovative packaging may actually add value to the product if

it meets a consumer need such as portion control, recyclability, tamper-proofing, child-proofing, easy-open, easy-store, easy-carry, and non breakability.

### **Dependent Variable**

Consumer Buying Behavior

### **Tools of Data Collection**

In order to find data on role of packaging on consumer buying behavior, we will collect data on four variables: The first benefit to use questionnaire technique is that result.

### **Sampling Technique & Sample**

The population of my study will be students and educational institutions of Karachi in which the sample size of 100 students will be taken for conducting the study by using simple random sampling in order to generalize the finding in the particular sector.

### **Measures**

There were 20 questions in the survey obtaining data for one variable and some questions were directly obtaining with no complications. Measure for each variable is defined below. Each variable was measure by asking the seven questions by using the 5-points itemized rating type scale ranging from (1) strongly disagrees to (5) strongly agree.

### **Methodology for Analysis of Data**

To make analysis of data it will use SPSS software in which we will make analysis in to two parts where part one will lead descriptive statistics that will be use to describe and summarize data and include measures of central tendency (average) and dispersion (the spread of data or how close each other is to the measure of central tendency).

### **Descriptive analysis**

It is used first techniques for generating result is descriptive statistics. It shows minimum, maximum, and mean values of data.

### **Correlation Analysis**

The Pearson's correlation is used to find a correlation between at least two continuous variables. The value for a Pearson's can fall between 0.00 (no correlation) and 1.00 (perfect correlation). Other factors such as group size will determine if the correlation is significant. Generally, correlations above 0.80 are considered pretty high.

### Regression Analysis

The Linear Regression Analysis is used to find out the impacts of independent variables on dependent variable. This analysis also determines, how much importance of independent variables is to the dependent variable and also amongst them.

### Results and discussion

Procedure of deletion is depending on all variables. This Table represents the total valid respondents and Excluded respondents. It shows that there were all valid respondents in the data.

Table 1: Case Processing Summary

Case Processing Summary			
		N	%
Cases	Valid	100	100
	Excluded <sup>a</sup>	0	0
	Total	100	100

a. Listwise deletion based on all variables in the procedure.

### Reliability Statistics

Cronbach’s alpha describes internal consistency of the instrument. Reliability statistics shows 0.859 i.e. excellent.

Table 2: Reliability Statistics

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.859	.866	5

Above table shows the reliability of variables, which were used in this research the CHRONBACH Alpha is 0.859, which shows that the 5 variables, which were used in, research questionnaires. It shows that at which level regression and hypothesis test are enough sufficient.

Table 3: Case Processing Summary

Variables Entered/Removed <sup>b</sup>			
Model	Variables Entered	Variables Removed	Method
1	Innovation, Packaging material, Packaging color, Design of wrapper <sup>a</sup>	.	Enter

a. All requested variables entered.

b. Dependent Variable: Consumer buying behavior

Table 4: Correlation Analysis

Correlations						
		Consumer buying behavior	Packaging material	Innovation	Design of wrapper	Packaging color
Consumer buying behavior	Pearson Correlation	1	.501**	.644**	.612**	.668**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	100	100	100	100	100
Packaging material	Pearson Correlation	.501**	1	.415**	.551**	.386**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	100	100	100	100	100
Innovation	Pearson Correlation	.644**	.415**	1	.615**	.597**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	100	100	100	100	100
Design of wrapper	Pearson Correlation	.612**	.551**	.615**	1	.647**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	100	100	100	100	100
Packaging color	Pearson Correlation	.668**	.386**	.597**	.647**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	100	100	100	100	100

\*\* . Correlation is significant at the 0.01 level (2 tailed)

### Correlation Analysis

- There is a high correlation between two variables (color of packaging and buying behavior of customer) i.e. 0.668. This further concluded that when buyer makes purchase decision color has played a significant role.
- The above table explains that there is a high correlation between consumer buying behavior and design of the wrapper i.e. 0.612. This further concluded that before making purchase decision buyers also thinks about design of the wrapper.
- The above table describes that there is high correlation between consumer buying behavior and Innovation of packaging i.e. 0.644. This further concluded that innovation of packaging has a high impact.
- The above table shows that there is moderate correlation between consumer buying behavior and packaging material i.e. 0.501. This further concluded that packaging material has moderate importance.
- The above table explains that there is a high correlation between innovation and design of wrapper i.e. 0.615. This further concluded that innovation has importance on the design of wrapper.
- The above table shows that there is high correlation between design of the wrapper and packaging color i.e. 0.647. This further concluded that

design of the wrapper has dependency on the packaging color as well.

Table 5: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.762 <sup>a</sup>	.581	.563	2.17719

a. Predictors: (Constant), Innovation, Packaging material, Packaging color, Design of wrapper  
 ✓ In the above table R shows acceptance of the hypothesis.

Table 6: ANOVA Analysis

ANOVA <sup>b</sup>						
Model	Sum of Squares	Df	Mean Square	F	Sig.	
1	Regression	624.433	4	156.108	32.933	.000 <sup>a</sup>
	Residual	450.317	95	4.740		
1	Total	1074.750	99			

a. Predictors: (Constant), Innovation, Packaging material, Packaging color, Design of wrapper

b. Dependent Variable: Consumer buying behavior

In the above table the value of F is 32.933. It shows that hypothesis has accepted. Four hypotheses have been examined through regression analysis and coefficient analysis the results of these four Hypotheses are presented below:

**Results of Hypotheses**

- It is proved by the results of coefficient in the table that Packaging colors have significant influence on purchasing behavior. Consumer purchasing power can be increased by increasing the brand image in consumer by 0.358
- Results shown in hypothesis number two shown that major influence on consumer buying behavior is packaging material. The beta coefficient represents that packaging material change will increase consumer-buying behavior by 0.187.
- Major influence of consumer buying behavior is on design of wrapper; it shows in the column of coefficient in hypothesis number 3. It shows that every one-unit change will result in increase of 0.098 in consumer buying behavior.
- In 4th Hypothesis, the results represents that Innovation has significant impact on consumer buying behavior. The beta signifies that innovation will result in increase of 0.293 in consumer buying behavior.

**Conclusion**

The results of this Research, Impact Packaging and labeling on consumer buying behavior shows that Packaging is one of the important



tools of communication through which you can communicate information about the product. Packaging color, material, design and innovation keep the customer delight because of easy handling and vivid graphics on the wrapper keeps the customer attracted towards the product. The importance of packaging can be observed through customer's intention to purchase by attraction towards color, design of wrapper, packaging material or sizes and easy handling or reuse of the packaging as pet bottles are reused in homes for several purposes. All packaging elements have direct impact on consumer buying behavior by product size or shape. This research has revealed several conclusions that packaging material has direct impact on consumer purchase decision for normal products in case of food items the information has highest priority. Packaging and information about the product can be a better tool for marketing than the advertisement because brand speaks itself, which can lead to edge over competing brands. The sizes of the product and packaging for kids, which has cartoon characters, vivid color and sizes can also play an important role at point of purchase and can influence children to take their product because of attraction. Innovation in packaging designs and material can also give an edge over competitors as most of the products do in Ramazan and other festival seasons to create goodwill to the customer. Cultural and social norms and values have high importance regarding packaging designs and material, every region has different values and norms.

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