

Influence of Product Packaging on Purchase Decisions

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Abstract

The aim of this research is to investigate the role of packaging on consumer buying behavior, to find out the relationship between package of product and its selling. How big is the importance of package in marketing communications, especially in the point of sale and how much does it influence consumer's purchase decision. The consumer buying behavior is dependent on the packaging and on its features. Packaging elements like color, background image, material, font style, design of wrapper, are taken as predictors.

Data for this study were collected through the questionnaire as a method of qualitative research. 300 questionnaires were obtained in giving the final result of this research. Predicted outcome of research is that package performs an important role in purchase decisions.

Keywords: Consumer Buying Behavior; Packaging; Purchase Decision Process.

Introduction

In today's constantly changing business environment and consumer purchase desires, packaging plays an important role. Through the history primary purpose of packaging was to protect the product, but currently packaging is being used as a tool for sales growing and attracting potential customers. Companies are interested in packaging as a tool to increase their sales and to reduce promotional costs.

A good packaging helps to identify product to the consumers. Packaging is used for more easily delivery and for protection and enclosure of the product. Many companies try to make packing original and in the way that it will satisfy consumers. They also use for the promotional purposes, to make the product differentiate from other brands. Packaging is used for marketing communication purposes and it plays an important element which influences the purchase behavior of the consumers. Through verbal and pictorial symbols packaging can inform the potential buyers about the content of product, property, usage, advantages and risks.

By investigating peoples' perceptions about the role of packaging on consumer buying behavior this study will help marketers to realize in which way the packaging influences perceptions of consumers while buying a certain product.

This study analyzes the role of packaging on consumer buying behavior through existing literature and researches done among students in BiH. In following sections basic definitions of key terms will be defined, historical background of this marketing strategy, the reasons why packaging influences the sale of product as well as research objectives and hypothesis will be presented. The way of collecting data for this study will be presented in methodology section. For the methodology section, seven hypotheses will be tested. Data will be analyzed by performing descriptive statistics. As last part of this study in conclusion section different suggestions will be given for marketers in order to improve quality of the service as well as way of packaging.

Literature review

In the literature, there are quite many studies which are done in the area of packaging. In the article "Consumer reaction to new package design" (2012) Holmes and Paswan say that a little is known exactly about the impact of the consumer's experience with the package on the evaluation of the project itself.

Concerning the previous researches, it can be seen that not so many studies have been done related exactly to the package design perception and direct customer experience with the package.

However, the package plays an important role because it tells the consumer the information about the product as well as the quality of product.

Rettie & Brewer (2000) state that package design is one of the most significant parts of product strategy. Approximately 70 percent of all purchase decisions of goods are made at the point of purchase. According to this we can conclude that the package itself is the only marketing communication the consumer may receive while evaluating the product.

Packaging plays a critical role in the purchasing decision. Silayoi and Speece (2007) say that in cases when the consumer is undecided, the package becomes an important in the buying choice because it communicates to the consumer during the decision making time.

There are various factors that influence the buying behavior of consumers such as: Packaging Color, Design of Wrapper, Printed Information, Background image, Packaging Material, Innovation.

a) **Packaging Color**

It has been proved that colors have strong effect on perception and therefore colors of packaging can be important. The right choice of colors is an important factor in creating the impression needed to influence brand and product selection (Gofman 2010). Color of packaging has an important role in making apart one company product from other. Cheskin (1957) says that the selection of the colors and color combinations is a necessary process for creating a good design package. Color is a key element of design due to the fact that it is usually vivid and memorable. The package color can have a significant effect on consumers' ability to recognize the product. Packaging color draws attention of the consumers. Every color creates different meaning according to the consumer perception. White and black color are used for creating power, red for energy, blue is used for trust, green for balance.

b) **Packaging Material**

Material of packaging is important element which prevents the product from loss. High quality material will attracts customers more than a low (Shah, Ahmed, & Ahmad, 2013).

c) **Font Style**

Font is important element of packaging which attracts the customer attention. Packaging information can create contrary results. It can lead to misleading or inaccurate information through small fronts and dense writing styles which are used on the package (Deliya, Parmar, & others, 2012).

d) **Design of wrapper**

Ulrich R. Orth (2009) "Packaging is used for identification of the product". It plays an important role in attracting the consumer. Eye-catching graphics make the product stand out on the shelf and attract the consumers. Graphics can affect through colors and printed lines on the package on which different signs and symbols are located. Holograms and combinations of various materials can encourage consumers to touch the package, thereby inspiring them to try the product (Rundh 2009).

e) **Printed Information**

Printed information contain all the information related to the product quality, price, description which help to identify the brand. This helps customers to make the right decisions and to purchase the product. It is one of the most visible parts of product and important element of marketing mix (Shah et al., 2013).

f) **Background-image**

Goldberg (1999) said that image on the product is important so that they increase the attention and increase familiarity with the particular product. Background image is the image in that is created in the mind of the customer which help to identify the brand of the product.

Pictures on the package in form of attractive situations (mountains, beaches, luxury houses and cars) can assist in triggering lifestyle aspirations (Rundh 2009).

Many cosmetic companies design the background-image in the order to represent the image of richness, luxury and exclusivity.

g) **Innovation**

Bringing innovation in the packaging design also increase the value of the product like easy open, recyclable, easy store, breakability, child proof, eco-friendly, etc. in the consumer mind (Shah et al., 2013).

Research hypothesis

H1: The Price is the factor that most affects the purchasing of product.

H2: Packaging material shows the quality of product.

H3: Color of packaging gains the attention at the point of purchase.

H4: Innovation in the packaging design increase the value of the product.

H5: People from age more that 22 observe Printed information while purchasing a product.

Methodology

Data for the study were collected through a survey delivered to citizens of Sarajevo. A total of 300 questionnaires were distributed, but 250 of them were taken as valid. Questionnaire was consisted from 20 items. For analyzing the results of the research statistical data analysis has been performed, using statistical data analysis package SPSS. Data were analyzed by performing descriptive statistics. Results of these findings will be presented in following section.

Objective

Objective of research study are:

- To find how much packaging impact on the consumer buying decision.
- Which factors are most convenient to influence consumer buying decision.
- Main objective is to find important elements of packaging which directly affect the consumer buying behavior.

Sample Size

Our sample size of research is 250 respondents from which we have collect data.

Sampling Area: Sarajevo city

Sampling method: Sample Random sampling

Results

In the following pages educational, national and gender structure of our respondents will be presented. After that hypotheses will be tested.

TABLE 1: Level of education of respondents

	Frequency	Percent	Valid Percent
Undergraduate student	161	60,3	60,3
Graduate student	65	24,3	24,3
Employed	24	9,0	9,0
Total	267	100	100

As we can see from table 1, there were 161 undergraduate students (60,3%) and 65 graduate students (24,3%) that we used in the sample for this study.

TABLE 2: Nationality of respondents

	Frequency	Percent	Valid Percent
Bosnian	169	63.3	63.3
Turkish	53	19.9	19.9
Other	27	10.1	10.1
Total	267	100	100

From the table 2 we can find information about subjects' nationality. Bosnians were again vast majority (63,3%), Turkish (19,9%), Other (10,1%).

TABLE 3: Gender of respondents used in the sample

	Frequency	Percent	Valid Percent
Male	119	44.6	44.6
Female	129	48.3	48.3
Total	256	100	100

For this study as a sample we used both, males and females. In table 3 we can notice that there were 119 male respondents (44,6%) and 129 female respondents (48,3%) used in the sample.

TABLE 4: Age of respondents

	Frequency	Percent	Valid Percent
0-19	51	19.1	19.1
20-22	108	40.4	40.4
More than 22	90	33.7	33.7
Total	267	100	100

From this table we can see that 40.4 % of respondents had age of 20-22. 33.7% had age more than 22, and only 19.1% had age from 0-19.

H₁ The Price is the factor that most affects the purchasing of product.

TABLE 5 Factors that are mostly affecting purchasing of the products

	Frequency	Percent	Valid Percent
Brand	71	26.6	26.6
Design of package	60	22.5	22.5
Other	28	10.5	10.5
Price	91	34.1	34.1
Total	267	100	100

(26,6%) of the respondents said that the Brand is the factor that affects their purchasing behavior. (22,5%) said that Design of package affect their purchasing behavior. (34,1%) of them said that Price affects their purchasing behavior. So H₁ is accepted, according to citizens' opinion, price is the factor that most affects their purchasing behavior.

H₂ Packaging material shows the quality of product.

TABLE 6: Packaging as a representation of the quality

	Frequency	Percent	Valid Percent
Strongly Disagree	12	4.5	4.5
Disagree	23	8.6	8.6
Neutral	74	27.7	27.7
Agree	75	28.1	28.1
Strongly Agree	66	24.7	24.7
Total	267	100	100

The percent of respondents which agree with statement (52,8%) is much more higher than percent of students which disagree with this statement (13,1%). So H_2 is accepted, according to peoples' opinion, packaging material shows the quality of product.

H_3 Color of packaging gains the attention at the point of purchase.

TABLE 7: Influence of the packaging color

	Frequency	Percent	Valid Percent
Strongly Disagree	12	4.5	4.5
Disagree	21	7.9	7.9
Neutral	56	21.0	21.0
Agree	86	32.2	32.2
Strongly Agree	74	27.7	27.7
Total	267	100	100

The percent of respondents which agree with statement (59,9%) is much more higher than percent of students which disagree with this statement (12,4%). So H_3 is accepted, according to peoples' opinion, color of packaging gains the attention at the point of purchase.

H_4 Innovation in the packaging design increase the value of the product.

TABLE 8: Innovation of the packaging

	Frequency	Percent	Valid Percent
Strongly Disagree	15	5.6	5.6
Disagree	29	10.9	10.9
Neutral	62	23.2	23.2
Agree	75	28.1	28.1
Strongly Agree	69	25.8	25.8
Total	267	100	100

The percent of respondents which agree with statement (53,9%) is much more higher than percent of students which disagree with this statement (16,5%). So H_4 is accepted, according to peoples' opinion, Innovation in the packaging design increase the value of the product.

H_5 People from age more that 22 observe printed information while purchasing a product.

TABLE 9: Printed information

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total
0-19	2	5	11	15	18	51
20-22	10	14	35	30	20	109
More than 22	4	15	24	25	21	89
Total	16	34	70	70	59	249

The percent of respondents from age more than 22 which agree with statement (51,0%) is much more higher than percent of respondents which disagree with this statement (21,0%). So H_5 is accepted, according to peoples' opinion, People from age more that 22 observe Printed information while purchasing a product.

Conclusion

In nowadays the role of package has changed due to marketing environment and increasing changes in the consumer desires. Companies are interested in packaging as a tool to increase their sales and to reduce promotional costs. A good packaging helps to identify product to the consumers. The producers try to make packing original and in the way that it will satisfy consumers. Packaging is use for marketing communication purposes and they are the important element which influences the buying behavior of the individual. Through verbal and pictorial symbols packaging can inform the potential buyers about the content of product, property, usage, advantages and risks.

With investigating peoples' perceptions about the role of packaging on consumer buying behavior this study showed that there are various factors that influence the buying behavior of consumers such as: Innovation, Packaging Color, Printed Information, Background image, Packaging Material, Design of Wrapper of the product. But despite all these factors there is one bigger factor which always comes in front of all these, it is Price. Consumers are highly affected with the price of product while purchasing.

Another finding that can be useful information to marketers is that people from age more than 22 pay more attention on Written Information while purchasing the product. They are more interested in the content of the product than in appearance of the product.

Marketers should pay attention to all factors listed above because they all affect some target groups. For marketers, it is very important fact when creating advertising messages to population in BiH.

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