

“CREATIVE PACKAGING AS A TOOL OF MARKETING”

Dr. EktaAnand

Assistant Professor, Department of Commerce, S.D. College (Lahore) Ambala Cantt

ektaprashar82@gmail.com

Abstract: Purpose of the Study: Packaging is very important marketing strategy to glamorize your product in order to attract the consumer's attention. Sometimes packaging is so important that it cost more than the product itself in order to lure the consumers to buy it. Most consumers judge a product by its packaging before buying. So it is logical to say attractive packaging is crucial in order to get the first time buyers to buy your products. Packaging should definitely be included in the 4 major P's of Marketing (Product, Price, Promotion and Place). This paper is an attempt to find out the need of creative packaging as a tool of marketing. For this purpose which kind of packaging and priority over different types of packaging by rural and urban consumers will prefer for buying Fast Moving Consumer Goods (FMCG), especially information is collected from (50) consumers of rural area and (50) consumers of urban area of Ambala District, Haryana.

Findings of the study: The study revealed that there is a significant difference between rural and urban consumers for their preference of packaging. Majority of respondents prefer eco-friendly packaging because it is a well known fact that pollution has increased many times and to check upon it or to control it, this is the best way to overcome such kind of serious problem of our environment. Very few persons in rural areas, prefer to have only convenient packaging, might be the reason that all other categories are much more important like protective packaging is provided by seller then there is a less chances of spoilage, damage, evaporation etc. or even the packing is more eco-friendly which is good for everyone rather than to be more convenient.

Keywords: Packaging, Rural Consumers, Urban consumers, FMCG.

I. INTRODUCTION:

Packaging is the phenomena of containing, or enclosing the product in bottles, plastic bags, wrappers, paper cartoons and boxes etc. For the purpose of displaying useful information regarding the product, its contents, weight, size, price, constituents,

usage necessary instruction about the usage and storing the product must be recorded on the package. Package reduces the risk of wastage, spoilage, leakage and evaporation etc. in the process of transportation and storage. The fundamental functions of packaging are to protect it from sun, rain, moisture, insects and atmospheric contracts etc. packaging maintain the product fresh and enhances its life. So, we use air-tight containers for certain products. Kotler defines packaging as "all the activities of designing and producing the container for a product." Packaging can be defined as the wrapping material around a consumer item that serves to contain, identify, describe, protect, display, promote, and otherwise make the product marketable and keep it clean.

Packaging is now generally regarded as an essential component of our modern life style and the way business is organized. Packaging is the enclosing of a physical object, typically a product that will be offered for sale. It is the process of preparing items of equipment for transportation and storage and which embraces preservation, identification and packaging of products. Packing is recognized as an integral part of modern marketing operation, which embraces all phases of activities involved in the transfer of goods and services from the manufacturer to the consumer. Packaging is an important part of the branding process as it plays a role in communicating the image and identity of a company.

II. TYPES OF PACKAGING

An important distinction is to be made here between two types of packaging .

A) Transport packing: The product entering in to the trade need to be packed well enough to protect against loss damage during handling, transport and storage. Eg: fiberboard, wooden crate etc.

B) Consumer Packing

This packaging holds the required volume of the product for ultimate consumption and is more relevant in marketing. Eg: beverages, tobacco etc

But it can also be divided like,

- Re-Useable Packaging
- Non-Reusable Packaging

III. MEASURES OF PACKAGING COST

The most important aspect when we look into packaging is the packaging cost. Packaging cost includes the following:

- A) *Material cost*: It means the cost of the pack and quality control cost.
- B) *Storage and handling cost of empty packages*: This include the handling cost of bulky packages, heavy materials of construction, drums etc.
- C) *Packaging operation costs*: This includes the cost involved in operations like, cleaning the package product filling – closing, labeling – unitizing, stenciling, handling cylindrical slums etc.
- D) *Storage of filled packages*: This includes the cost incurred to shift the goods from one form of packaging to another.
- E) *Transportation cost of filled packages*: This involves the transportation cost by sea, air etc. (freight by volume)
- F) *Loss and Damage cost*: It is related to the loss and damage during operation, transportation delivery etc.
- G) *Insurance cost*: It varies depending on the vulnerability of package
- H) *Effect of packages on sales*: The package that influence on sales.
- I) *Obsolescence Cost*: This cost involves when changes in the packaging materials, packages and labels happen.
- J) *Package developmental cost*: This includes the evaluation cost, pilot test cost, field testing cost, consumer research cost, feedback cost, final trial cost etc.

IV. PURPOSE OF PACKAGING:

A). *Easy identification*: Every producer has its own distinct packaging, different from other with respect to design, size, colour and other specification packaging helps-us in the easy identification and immediate picking up of the product.

B). *Convenience*: Packaging provides convenience in the transportation and storage of the product. It is convenient for the consumers to use these products. Packaging of Tropicana Real and Frooti Juices facilitates their consumption. Packaging, no doubt helps us in the safe and convenient handling and storing of the product.

C). *Sales promotion*: It is rightly said that packaging works as silent, salesman. It catches the attention of customers, who pick up the product, go through its description and are induced to purchase the product. Self service is becoming more and more common in the field of shopping, where the customer picks up the product himself and makes its payment on the counter. Packaging in these circumstances promotes the sales.

D). *Innovative ideas*: The producers sometime develop innovative ideas about packaging which promotes their sales. For examples, shampoo, tomato ketchup, surf, sugar, milk, oil etc., are sold in small pouches. In addition to the above functions, packaging facilitates branding of the product. Empty packages have their resale value for customers. Packaging builds image of the product and its producers. The effective packaging is the source of prestige to its producers. Packaging continues to be more important in the modern growing completion, open, display of the product and self-service of the customers.

Packaging is considered in this study for FMCG Products. Products which have a quick turnover, and relatively low cost are known as Fast Moving Consumer Goods (FMCG). FMCG products are those that get replaced within a year.

V. REVIEW OF LITERATURE

Deliya, 2012 studied the importance of packaging design as a vehicle for communication for packaged FMCG products. This research utilized a focus group methodology to understand consumer behaviour towards such products. The challenge for researchers is to integrate packaging into an effective purchasing decision model, by understanding Consumer's behaviour towards the packaging of FMCG products. When consumers search for the process information in-store, the product's package can contain relevant and useful information for the consumer. Product packaging forms the end of the 'promotion-chain' and is close in time to the actual purchase and may therefore play an important role in predicting consumer outcomes. Packages also deliver brand identification and label information like usage instructions, contents, and list of ingredients or raw materials, warnings for use and directives for care of product.

Ashalatha (1998) studied the factors influencing the performance of BAMUL milk for a sample of 100 respondents. The study revealed that the factors such as door delivery, clean packing, quality, hygienic preparation, time saving and reliability, good value for money, freshness and desired flavour were important in the order in influencing the decision of buyers for BAMUL milk.

Kaurshall, Raghubanshi and Sinha (1976) conducted a study on purchasing behaviour pattern of the consumer and their brand preferences for washing soaps. It concluded that the formation of brand loyalty is significantly influenced by the educational level of the users of washing soaps. Lesser educated people from their brand loyalty on the basis of price, attractive packaging and easy availability in the market, whereas their educated counterparts i.e. users of washing soaps form their brand loyalty on the basis of easy lather formation and convenience in handling. Keeping in view these facts the sellers should adopt a separate marketing strategy for urban sector and rural sector. In urban sector, there is high degree of education, whereas a very low percentage of education is found in rural sector. Also, the firms dealing with high quality products should concentrate mainly amongst educated class, which prefers high quality irrespective of high price of the product, whereas the firms selling cheap product should concentrate on the illiterate class.

VI. RESEARCH OBJECTIVES

1. To study the preference for packaging by rural and urban consumers.
2. To know the priorities over different types of packaging by rural and urban consumers.

VII. RESEARCH METHODOLOGY

A). Data Source: The present study is largely based on the primary data collected from rural and urban consumers through field survey. Field survey was conducted by intensively interviewing individuals of different families considering them as the representative of the household. For this purpose, a structured questionnaire was administered.

B). Research Approach: The survey approach has been chosen for the study to gather descriptive information; structured survey with formal lists of direct questions was conducted among the respondents. Generally, this approach is used to collect data for different kinds of studies. Moreover, this approach is quick and carries low cost as compared to observation and experimental methods.

C). Research Methodology: Descriptive study has been used which is carried out to describe accurately the characteristics of an individual, or group, or a particular situation. A descriptive study is one in which information is collected without changing the environment. In human research, a descriptive study provides information about the naturally occurring health status, behaviour, attitude and other characteristics of a particular group. Accuracy is the best benefit of this type of study as most of the social researches are done under this category. Therefore, descriptive study eliminates biasness and maximizes reliability.

D). Research Instrument: Questionnaire is the research instrument for the study. In this research study, best of communication and observation skills are used at various stages of data collection process. Especially in case of rural and illiterate respondents, keen observation not only proved as the key factor for data collection, but also as an excellent tool to cross check the correctness and accuracy of information sought through questionnaire in personal interview.

VIII. POPULATION DEFINITION:

Consumers of rural and urban markets of Haryana State have been taken as sample units.

According to the Census of India 2011, the definition of urban area is as follows:-

1. All places with a municipality corporation, cantonment board or notified town area committee, etc.

2. All other places which satisfy the following criteria :

i) A minimum population of 5,000;

ii) At least 75 percent of the male main working population engaged in non-agricultural pursuits ; and

iii) A density of population of at least 400 persons per sq. km.

And those places which do not satisfy the above criteria come under the rural area.

Sample Method: Multiple-stage sampling has been used for selecting the sample. In the research study, probability systematic random sampling has been used for collecting the data; it is also called an Nth name selection technique. This method is used because under this procedure each element in the population has a known and equal probability of selection. Further, probability random sampling has been used for giving equal probability to every unit.

Sampling Frame: A decision has to be taken concerning a sampling unit before selecting a sample; sampling frame may be geographical one such state,

significant differences between rural and urban consumers for their preference of packaging. Hence, null hypothesis is rejected and alternative hypothesis

| Particulars | Rural | | Urban | | Total | |
|------------------------|--------------------|------|--------------------|------|--------------------|--------|
| | No. of respondents | % | No. of respondents | % | No. of respondents | % |
| Protective packaging | 10 | 20% | 9 | 18% | 19 | 19% |
| Eco-friendly packaging | 14 | 28% | 20 | 40% | 34 | 34% |
| Convenient packaging | 7 | 14% | 11 | 22% | 18 | 18% |
| All the above | 19 | 38% | 10 | 20% | 29 | 29% |
| Total | 50 | 100% | 50 | 100% | 100 | 100.0% |

district, village etc. It is the list of sampling units or elements from which the sample or some proportion of the sample is actually selected or drawn. So, in this research study sampling frame is the state i.e. Haryana.

Source List: Source list is made from sampling frame from which sample has to be drawn. In this study, Haryana is the sampling frame which is divided into 21 districts and out of 21 districts Ambala District has been chosen for the study. Selected from the universe to constitute a sample. The size of sample should neither be excessively large nor too small, it should be optimum. A sample of 50 from rural markets and 50 from urban markets (total 100 consumers) is taken for the given research study.

Analysing the Data : Percentage method is used for analysing the data.

Interpreting the Data:

Table 1 is formulated to know which kind of packaging a consumer will prefer for buying a product and to solve the above purpose:

Ho = Hypothesis is, that there is no significant difference between rural and urban consumers regarding their preference for packaging.

Table 1
Preference for Packaging

Table1 shows that 66% of total respondents give their preference for Re-useable packaging as compared to 34% for non-re-useable packaging. This shows that consumers feel more comfortable in using such kind of packaging which they can re-use it again and again. But rural consumers (76%) preferred more Re-usable packaging as compare to urban consumers (56%), whereas urban consumers (44%) preferred more Non-Re-useable packaging as compare to rural consumers (24%). Thus, it is concluded that there is a

is accepted.

Table 1 PREFERENCE FOR PACKAGING

Table 2 PRIORITIES OVER DIFFERENT TYPES OF PACKAGING

Every consumer has a priority over different types of packaging while purchasing a branded/unbranded product/s and to know his/her priority, table 2 is prepared:

Ho = Hypothesis is, that there is no significant difference between rural and urban consumers regarding their priorities over different types of packaging.

Table2 exhibits that 34% of total respondents prefer eco-friendly packaging because it is a well known fact that pollution has increased many times and to check upon it or to control it, this is the best way to overcome such kind of serious problem of our environment. Among them 40% belong to urban respondents and 28% belong to rural respondents who prefer such kind of packaging. 29% of total respondents prefer to have protective, eco-friendly as well as convenient packaging. Percentage of people preferring protective packaging is 19% in total, eco-friendly packaging is 34% in total and very few persons in rural areas, prefer to have only convenient packaging, might be the reason that all other categories are much more important like protective packaging is provided by seller then there is a less chances of spoilage, damage, evaporation etc. or even the packing is more eco-friendly which is good for

everyone rather than to be more convenient. Thus, it is concluded that there is a significant difference between rural and urban consumers regarding their priorities over different types of packaging. Hence, null hypothesis is rejected and alternative hypothesis is accepted.

IX. Conclusion

The consumer choices and design characteristics of the package are the key elements of the marketing strategies. The cooperation between consumers and companies provides package design which attracts the potential customers and obtains successful results for the company. The packaging and the consumer are two variables which should be always considered in the company's strategy.

| Particulars | Rural | | Urban | | Total |
|--------------------------|--------------------|------|--------------------|------|--------------------|
| | No. of respondents | % | No. of respondents | % | No. of respondents |
| Re-usable packaging | 38 | 76% | 28 | 56% | 66 |
| Non re-useable packaging | 12 | 24% | 22 | 44% | 34 |
| Total | 50 | 100% | 50 | 100% | 100 |

Table 2 Priorities over Different Types of Packaging

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