

IMPACT OF PRODUCT PACKAGING AND LABELLING ON CONSUMER BUYING BEHAVIOUR FOR FOOD PRODUCTS IN MUMBAI REGION

ABSTRACT

Packaging is the science, art, and technology of enclosing or protecting products for distribution, storage, sale, and use. Basic objectives of packaging includes Physical protection, Barrier protection, Containment or agglomeration, Information transmission, Marketing, SecurityAnti-counterfeiting Packaging and ConveniencePortion control. On other side Labeling is any written, electronic, or graphic communications on the packaging or on a separate but associated label. Basic objectives of labeling are brand identification, providing the information and promotion.

Food labelling might refer to naming a product or the listing of ingredients. The key objectives of a food label is to provide information for the consumer, help sell the product and assist the consumer in making comparable food choices.

Now a days marketers are using packaging as a tool for marketing their products. Packaging is the first point of contact with the brand for a consumer product (Rundh,2005). Packaging design an important issue in the growing use of packaging as a marketing tool for self-service, since approximately 73% of products are sold on a self-service bases at the point of sale (Silayoi&Speece, The importance of packaging attributes: a conjoint analysis approach, 2007).

This paper will try to find out how product packaging and labelling effect the consumer decision making process when they purchase food products. With this also try to identify the different elements of packaging to attract more and more customers.

Introduction

Packaging is the science, art, and technology of enclosing or protecting products for distribution, storage, sale, and use. Packaging also refers to the process of design, evaluation, and production of packages. Basic objectives of packaging includes Physical protection, Barrier protection, Containment or agglomeration, Information transmission, Marketing, SecurityAnti-counterfeiting Packaging and ConveniencePortion control. Packaging can be divided in primary, secondary and tertiary type.

Labeling is any written, electronic, or graphic communications on the packaging or on a separate but associated label. Display of information about a product on its container, packaging, or the product itself. Basic objectives of labeling are brand identification, providing the information and promotion.Labels on food products are intended for consumer information and help to identify, promote, inform and offer advice on the use of the products concerned, and where for instance a label is applied over a closure, providing security as a tamper evident feature. Food labelling might refer to naming a product or the listing of ingredients. The key objectives of a food label is to provide information for the consumer, help sell the product and assist the consumer in making comparable food choices. As per Food Safety and Standards (Packaging and Labelling) Regulations 2011 in Indian every food items needs to follow rules and regulation for product labelling.

As per Indian Regulation food product must have

1. Product name and category of food.
2. An ingredient list in descending order of weight
3. Logo of vegetarian and non-vegetarian food.
4. Nutrition fact panel or information which includes energy, protein, carbohydrate (sugar) and fat.
5. The shelf life (Use by or Best Before Date)
6. Storage conditions
7. The name & address of the manufacturer, packer and / or seller
8. The country of origin (in case of imported foods)
9. The weight
10. Instructions for use

11. Health claims establish a relationship between a food & disease or medical condition
12. Nutritional claims quickly inform a consumer of nutritional value of a product for example 'Low Fat' or 'Zero Cholesterol'

Food labelling, in particular, is receiving international attention as a potential instrument, not only for addressing information asymmetries associated with ingredients, product freshness and nutritional components, but also for achieving both healthier consumer purchase and consumption behaviour and healthier product development, leading to improved population-wide health outcomes. The effectiveness of food nutrition labelling in achieving these goals and the quest for ideal nutrition label design and presentation has been the topic of wide media and political attention and has been addressed extensively in professional and scientific literature in recent times.

Literature Review

Packaging is the first point of contact with the brand for a consumer product (Rundh, 2005). Packaging design an important issue in the growing use of packaging as a marketing tool for self-service, since approximately 73% of products are sold on a self-service bases at the point of sale (Silayoi&Speece, The importance of packaging attributes: a conjoint analysis approach, 2007). On average, urban supermarkets carry 50 000 items and the typical shopper passes 300 items per minute (Rundh, 2005). The packaging must, therefore, perform many of the sales tasks, including making an overall favourable impression and helping influence impulsive purchasing. This is in contrast to the secondary function of packaging that is used for storage, shipping and supply chain that consumers do not see but that is still necessary in the distribution of the product to trade (Sehrawet&Kundu, 2007). Pinya and Mark (2004) argue that FMCG are low involvement products, as consumers do not search extensively for information about the brands, evaluate their characteristics, or make a weighty decision on which brand to buy. Based on previous literature, four main packaging elements are argued to affect the consumer's purchase decision. These elements broadly fall into two categories: 1) Visual elements consisting of colours, graphics, design size, shape and packaging. These attributes relate to the affective side of decision-making. 2) The information elements relating to the contents provided and technologies used in the packaging, and more likely to address the cognitive side of decision-making, such as educating the customer and the overall image of the brand (Silayoi&Speece, Packaging and Purchase Decisions, 2004).

The use of colour is obvious and well- developed and can be effective because of strong brand associations. However, people in different cultures develop their own unique colour affinity (Silayoi&Speece, Packaging and Purchase Decisions, 2004).

Companies also use packaging attributes such as graphics that include layout and the use of powerful product photography, to create an image to help in attracting and sustaining attention (Silayoi&Speece, The importance of packaging attributes: a conjoint analysis approach, 2007). Robert *et al.*'s (2001) findings on packaging imagery indicates that the effects of pictures on packaging are contingent on the product category, and may be specifically beneficial to those with high levels of experience because it was not possible to manipulate the level of experiential benefits (Underwood, Klein, & Burke, 2001). Grossman and Wisenblit (1999) argue that for low involvement products, marketing communications need to have a strong impact, particularly as images affect consumer decisions, making graphics and colour crucial. For many consumers of low involvement, the packaging becomes the product, particularly because of impressions formed on initial contact. Rettie and Brewe (2000) argue that the recall is better for verbal stimuli when the copy is on the right hand side of the package, and better for non-verbal stimuli when it is on the left hand side of the package (Silayoi&Speece, Packaging and Purchase Decisions, 2004).

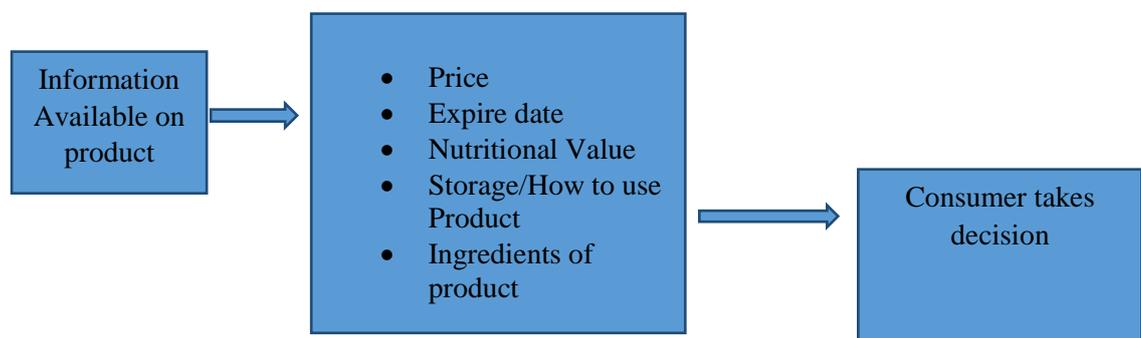
Grocery Manufacturers of America (GMA) survey in 2002, 82.0% of American consumers 'frequently' considered the price of a product before making a final selection. In a research conducted by the United Kingdom Consumer's Association in 1995 about factors influencing food purchases, 34.0% indicated 'price/value for money', 21.0% 'quality', 16.0% 'nutrition/how healthy', 12.0% 'family's/personal preference', 5.0% 'how quick/easy to prepare', 4.0% 'how fattening it is', 3% 'brand name/label', 3.0% 'special diets for remedial reason' and 1.0% 'ethical/religion'. In this study, when choosing a new product, the respondents were affected by 'advertisement' (39.0%), then by 'visual impact/ product appeal' (22.0%), 'brand or label information' (22.0%) and lastly by 'preparation time' (17.0%).

A study conducted by Angela Peters-Teixeira and NeelaBadrie on consumer perception of food packaging in Trinidad West Indies suggests that The 'information on food labels quality/type of packaging,brand name and visual impact are important packaging features'. Most respondents believed that the type of packaging material could adversely affect the quality or performance of food products. Food labelling was an important factor influencing

food choice. Although most respondents read the nutrition facts panel, some found it to be too time consuming to read or too complex to understand, while others indicated that the display information was too difficult to follow. One more research Assessing Consumer Awareness and Usage of Food Labels and Influences on Food Buying Behavior conducted by Sushil Kumar and Jabir Ali (2011) for Indian consumer give a clear indication that label information is generally gender and age insensitive though its use assumes significance with the income levels, education and occupation of the consumers. Most lifestyle products such as breakfast cereals, readymade dressings etc. that would mostly be used by people who have relatively higher levels of income and education would pay more attention to various kinds of label information.

The awareness regarding label information is dependent on the consumer's level of education, income and kind of occupation. Hence, it becomes the task of regulatory agencies to sensitize the consumers to availability and importance of such information. Just enforcing rules on the food processing/packaging companies is not sufficient until the buyer is not reading them let alone interpreting them

Theoretical Framework



Objectives of the study are as follows

1. To identify the relationship between demographic factors and uses of information on product label.
2. To study the type of information consumers generally look on product label while buying product.

Sample – Sample is collected in Mumbai region from college students and professional by online questionnaire. Total sample size is 100.

Hypothesis:

Based on the above objectives following hypothesis are framed and their validity would be tested through research techniques:

H₀₁: Gender does not play any role in using information given on product label.

H₁₁: Gender does play role in using information given on product label.

H₀₂: Age has no role to play in using information given on product label.

H₁₂: Age has role to play in using information given on product label.

H₀₃: Profession does not play important role in using information given on product label.

H₁₃: Profession does play important role in using information given on product label.

Research Methodology

Research Methodology is a blue print of the Study conducted, which includes steps of data collection, sample selection, type of questionnaire, process of data and finally interpretation of the data. The Primary data collected through questionnaire. The secondary data of the study collected through various magazine, journals, reports, books, articles, research papers, websites etc.

Data Analysis-

Socio Demographic Table

Measure	Item	Frequencies	Percentage
Gender	Male	41	41 %
	Female	59	59%
Age	15-30	91	91%
	30-45	7	7%
	45 +	2	2%
Profession	Student	79	79%
	Working Professionals	21	21%

Calculating the data for first hypothesis $\chi^2 = 0.9366$ and keeping degree of freedom 3 at 5 % level of significance table value of this is 7.815. So we can conclude that null hypothesis is

accepted that there is no co-relation in gender and seeking information on label. While testing other two hypothesis also prove that there is no co-relation of age and profession with seeking information on label for buying food products. Most of the people refer information given on label of product.

After asking them questions about which type of information they look before buying product expire date and price are most important factors. While storage and how to use product comes third followed by nutritional value and last is ingredients of product.

Scope and limitations:

Research is a time taking activity so it was impossible to conduct research in too many regions so we have chosen the specific area of Mumbai.

Conclusion-

Thus it concludes that customer does look for information before buying any product but majorly price and expire date. More consumer awareness need to be spread regarding checking other type of information such as ingredients of products etc, this will not just help consumers but also companies to differentiate their products from competitors.

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