

PACKAGING AS A PROMOTIONAL TOOL FOR FAST MOVING CONSUMER GOODS

Jeevarathnam Parthasarathy Govender*

Abstract

Packaging is beginning to play a more prominent role in the marketing mix in the context of increased competition, the move towards self-service in the retail environment and changes in the buying behaviour of consumers. The aim of this paper, therefore, is to examine consumer perceptions of packaging in the fast moving consumer goods sector. The research constituted a quantitative, cross-sectional and descriptive study. 400 respondents were chosen based on convenience sampling using mall-intercept surveys. The results, overall, suggest that consumers generally perceive packaging to be an effective promotional tool. It emerged that there were no significant relationships between the biographical variables of gender, age and educational level and perceptions of packaging. Recommendations are made as to how marketers can approach packaging as an element of the marketing mix.

Keywords: Packaging, Promotion, Fast Moving Consumer Goods

* *Department of Marketing, Durban University of Technology, P O Box 1334, Durban, 4000, South Africa*

1 Introduction

The past few years have witnessed a shift in the role of packaging as an element of the integrated marketing mix. This has been precipitated by increased competition, the move towards self-service and a change in the way in which consumers make buying decisions. The growth of supermarkets and other self-service retail outlets has made it necessary for packaging to extend its traditional functions of containing and protecting, to 1) draw attention to a particular brand, 2) break through competing clutter during purchase, 3) justify the price charged against the perceived value, 4) highlight brand features and benefits, 5) convey emotionality to the end-user and 6) influence brand choice (Shimp and Andrews, 2013).

The three vital functions of packaging are the containment and protection of products, promoting products and facilitating the use and storage of products (Lamb, Hair, McDaniel, Boshoff, Terblanche, Elliott and Klopper, 2012). Semenik (2002) believes that packaging is the most influential factor in promotion; it has been found to influence consumer perceptions of brand quality, value and image. Consumers are usually first exposed to the package of the product, which means a package must attract and hold the consumer's attention. According to Shimp and Andrews (2013) packaging plays a key communication and sales role at the point-of-purchase. Shoppers spend a very short amount of time, roughly 10 to 12 seconds viewing brands, ending up either purchasing, or moving on, leading to the conclusion that "every package is a five-second commercial".

This paper therefore aims to assess consumer perceptions of packaging in the fast moving consumer goods industry.

2 Literature review

According to Lamb, et.al.(2012), the recent trend is for packaging to serve as a means of establishing competitive advantage. Packaging is regarded as being an important dimension of an integrated marketing strategy, rather than just being an isolated area of marketing. Blythe (2006) believes that packaging can be considered as part of the product, since packaging can confer some of the product's benefit or even be integral to the product. Packaging refers to all the activities of designing and producing a product's container (Kotler and Keller, 2009). All packaging elements must be in harmony and must fit with the product's pricing, promotion, advertising and other marketing elements. Packaging must make sure that it achieves a number of objectives from the perspective of both the organisation and consumers.

Packaging is another aspect of product strategy that has become increasingly important (Belch and Belch, 2007). Packaging is often a powerful tool that helps to sell what it protects. Attractive and innovative packaging will ultimately give the product eye appeal which will get the attention of consumers who might other not even have noticed the product (Koekemoer 2004).

Packaging is the regarded as being the most powerful "voice" in marketing communication as it immediately precedes the purchasing decision or the act of purchase. It is a final chance to promote a

product or to clarify what its characteristics are and to assure the customer of the marketer's good intentions (Blythe, 2006). It is the consumer's first exposure to the product, so it must be a favourable first impression. According to Hawkins and Mothersbaugh (2012), packaging involves designing and producing the container or wrapping for the product. Labeling is part of packaging design because it is the printed information that appears on the package. As part of the design, packaging must identify the brand logo and name, convey descriptive and persuasive information which must attract attention and convey information. Packaging has both functional and perceptual components.

As a consequence of increased competition and clutter on retail store shelves, it means that packaging must now perform many sales tasks from attracting attention to describing the product to making the sale. Packaging now acts as an industry's "silent salesman" (Rundh, 2005). Packaging must not only attract and hold the consumer's attention but it must also communicate information on how to use the product, divulge its composition and content and satisfy any legal requirement regarding disclosure (Belch and Belch, 2007). Packaging plays a key role in brand promotion and management (Kotler and Keller, 2009).

The primary benefit of packaging to consumers is convenience (Semenic, 2002). Packaging carries the brand name and logo and communicates the name and symbol to a consumer. When packaging clearly communicates the brand name and logo, consumers can more easily locate the brand in the shopping environment. This same effect is true when the consumer stores the brand at home, because the packaging continues to communicate the brand name as well as the brand image. Ease of use, economy of use, safety and environmental benefits can all be built into package design and these benefits blend with the communication and promotional role of packaging (Belch and Belch, 2007).

Perceptions are combined psychological influences and it is crucial for marketers to understand them. To achieve communication goals effectively, knowledge about consumer psychology is important, so that manufacturers understand consumer's response to their packaging (Silayoi and Speece, 2007). Lamb, et.al.(2012, 86) point out that perception is the process by which physical sensations such as sight, smell, taste, touch and hearing. This interpretation of a stimulus allows a person to assign meaning and a coherent picture to it. The perceptual process is such that consumers will ignore stimuli they deem irrelevant and interpret all stimuli in a way that is consistent with their personal version of reality. This has implications for packaging.

Information about the benefits of a product must be consistent with the consumer's definition of what is relevant. Knowledge about how consumers acquire and use information from external sources is important to marketers in formulating communication strategies

(Belch and Belch, 2007). The perceptual process is also influenced by the "packaging structure" (Shimp and Andrews, 2013) and is influenced by size, use of colour, design and shape, and physical materials. These are briefly explained:

Size: This refers to the size which an object must have to be perceived, proportional to the initial size of the sensory input. Large sizes tend to attract greater attention while small sizes may not be seen as value for money. If the size of a package is increased a change will occur, with regard to the attention it receives (Du-Plessis and Rousseau, 2007).

Colour: The colour of the package is very important as it has a strong effect on perception (Blythe 2006). Colour can also be effectively used by marketers in many situations (Du-Plessis and Rousseau 2007). Consumers use colour as a quick way of identifying the brand they are looking for. Colour serves to attract attention, with bright coloured items being more noticeable. Certain colours and colour characteristics create feelings and arousal which are related to attention. In a store, a bright colour package is more likely to receive the consumer's attention more quickly than a dull one.

Design and shape: An effective package design is one that enables good eye-flow, provides a point of focus to the consumer and conveys meaning about the brand's attributes and benefits (Shimp and Andrews, 2013).

Physical materials: Packaging materials have the potential to arouse consumer emotions in a subconscious manner (Shimp and Andrews, 2013). Perception of a package's texture has the power to influence consumer buying behavior and decision making as more stimuli around us compete for our attention (Du Plessis and Rousseau, 2007). This has given opportunity for marketers to resort to the use of different materials in packaging e.g. plastic, metal and wood, depending on the product under consideration.

Silayoi and Speece (2007) believe that packaging can have a greater promotional effect than what can be achieved through advertising. It has become necessary for marketers to understand that to a greater extent, consumers wish to determine for themselves the direction in which their brand loyalty will be channeled. Packaging becomes a critical factor in the consumer decision making process because it communicates to consumers at the time they are actually deciding in the store. It has been observed that consumers are influenced by packaging in a way that they themselves do not consciously understand.

In the decision making process, consumers subconsciously exercise selectivity as to which aspects of the environment they want to consider, and which stimuli they choose to perceive. These are determined by consumers motives (needs, wants, and desires) at that time and are influenced by the consumers previous experiences (Du-Plessis and Rousseau, 2007). Kanuk and Schiffman (2009) believe that astute promoters differentiate their

packaging sufficiently to ensure quick consumer reaction. Since the average package on the supermarket shelf has a very short time to make an impression on the consumer, it is important that every aspect of the package: the name, shape, colour, label and copy provide sufficient sensory stimulation to be noted and remembered.

There appears to be an element of mistrust by consumers with regard to packaging. There is concern that packaging is deceptive and can hide product drawbacks such as inferior quality or under-filled packs (Kotler and Keller 2009). Many consumers do not seem to recognize the importance they place on packaging when evaluating brand alternatives.

Yeshin (2006) believes that in the coming future, the primary vehicle used to communicate promotional offers will be packaging. The importance of packaging design and the use of packaging as a vehicle for communication are growing, as packaging takes on a role similar to other marketing communication elements

3 Methodology

The research was quantitative, cross-sectional and descriptive in nature. The key variables were demographics (gender, age, and highest education level) and perceptions of packaging. Perceptions were ascertained using a five point Likert scale (strongly disagree-strongly agree) where strongly disagree = 1

and strongly agree = 5. Questionnaires were administered outside the four major shopping malls in Durban, South Africa. One hundred respondents were chosen at each of the four shopping malls using convenience (non-probability) sampling, constituting a sample size of 400 in total. The total sample size was guided by Sekaran (2003) who suggests that for a population in excess of 1 million, a sample of 384 respondents was adequate to draw inferences. A pilot test was conducted prior to the administration of the final questionnaire. Necessary alterations were done to the questionnaires before conducting the research. The data was analysed using SPSS (Version 14) at a descriptive and inferential level. The level of significance was set at 95% ($p < 0.05$).

4 Results

Biographical variables

Details of the biographical variables are presented in Table 1. The gender distribution was close to being equal. It emerged that the majority age group was 41-50, followed by the 51-60 age category, indicating that 46% of respondents were between 41 and 60 years of age. The majority of respondents (54%) were in possession of a diploma or bachelor's degree, with the minority (8%) being in possession of a masters or doctoral qualification.

Table 1. The biographical variables

	N	%
Gender Male	192	48.0
Female	208	52.0
	400	100.0
Age Less than 21	43	11.0
21-30	56	14.0
31-40	68	17.0
41-50	93	23.0
51-60	92	23.0
Over 60	48	12.0
	400	100.0
Highest education Below matric	38	9.5
Matric	102	25.5
Diploma/Bachelors degree	216	54.0
Honours degree	44	11.0
Masters/doctorate	32	8.0
	400	100.0

Opinions on packaging

Packaging as a temptation to purchase a product

The results, as reflected in Figure 3, indicate that 48% of respondents agree that packaging served as a temptation to purchase a product with 42% agreeing

and 6% strongly agreeing in this regard. A large proportion (24%) was neutral and 28% of respondents disagreed that packaging served as a temptation to purchase a product. The mean value of 3.32 suggests that respondents generally agreed that packaging served as a temptation to purchase a product.

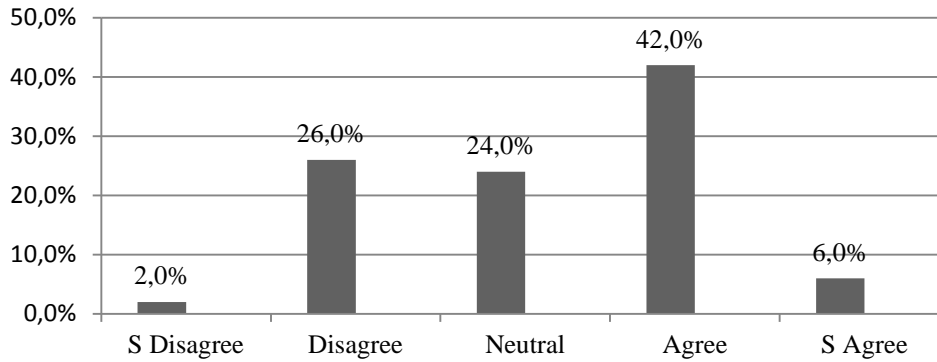


Figure 1. Packaging as a temptation to purchase a product

Packaging providing sufficient information when purchasing a product

It emerged that 53% of respondents were in agreement that packaging provided sufficient information when purchasing a product, with 43% agreeing and 10% strongly agreeing in this regard. This is reflected in Figure 2. 20% of respondents were neutral and 27%

were in disagreement that packaging provided sufficient information when purchasing a product. The results indicate a mean value of 3.66, suggesting that overall, respondents felt that that packaging provided sufficient information when purchasing a product.

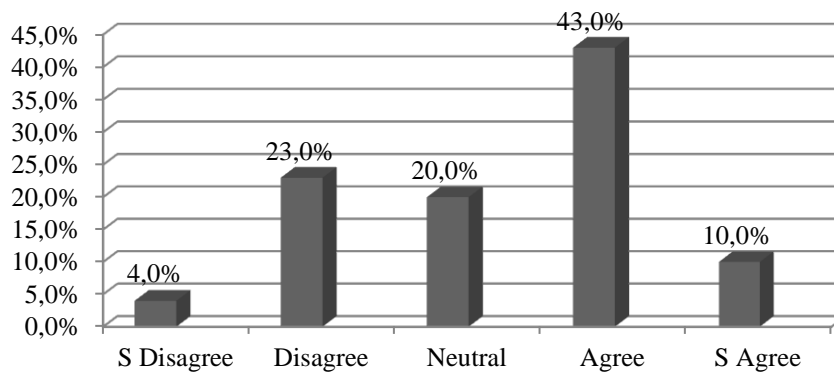


Figure 2. Packaging providing sufficient information when purchasing a product

Packaging making it easier to differentiate one brand from another

The results, as reflected in Figure 3, indicate that the vast majority, i.e. 61% of respondents, agree that packaging made it easier to differentiate one brand from another with 49% agreeing and 12% strongly

agreeing in this regard. 23% of respondents were neutral and 16% were in disagreement (14% disagreed and 2% strongly disagreed). The mean value was 3.75, suggesting that there was overall agreement that packaging made it easier to differentiate one brand from another.

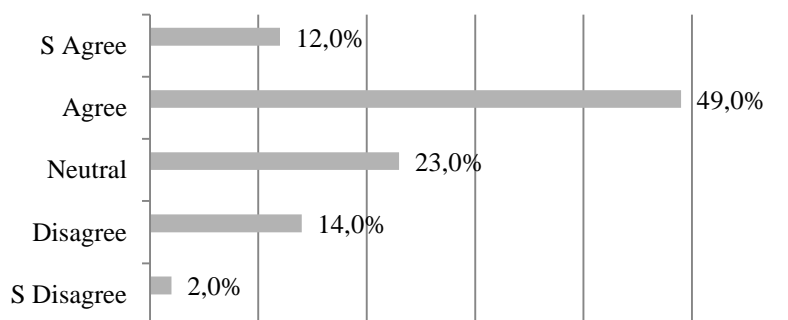


Figure 3. Packaging making it easier to differentiate one brand from another

Packaging leading to brand loyalty

The results, as reflected in Figure 4, indicate that the vast majority (72%) of respondents agree that packaging led to brand loyalty, with 60% agreeing and 12% strongly agreeing in this regard. 10% of

respondents were neutral and 18 % of respondents were in disagreement that packaging led to brand loyalty. The mean value of 3.63 suggests that was overall agreement that packaging led to brand loyalty.

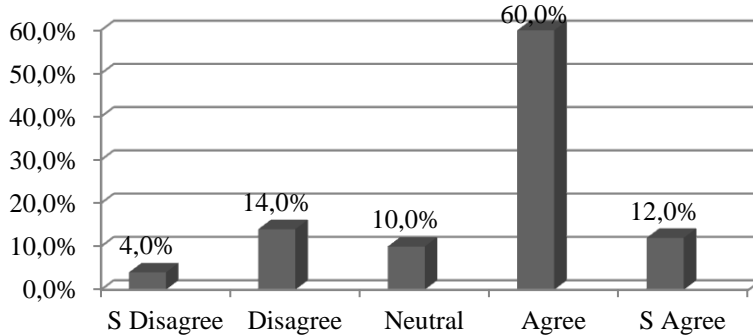


Figure 4. Packaging leading to brand loyalty

The colour of packaging arousing interest

It emerged that 66% of respondents were in agreement that the colour of packaging aroused interest, with

46% agreeing and 20% strongly agreeing in this regard. This is reflected in Figure 5.

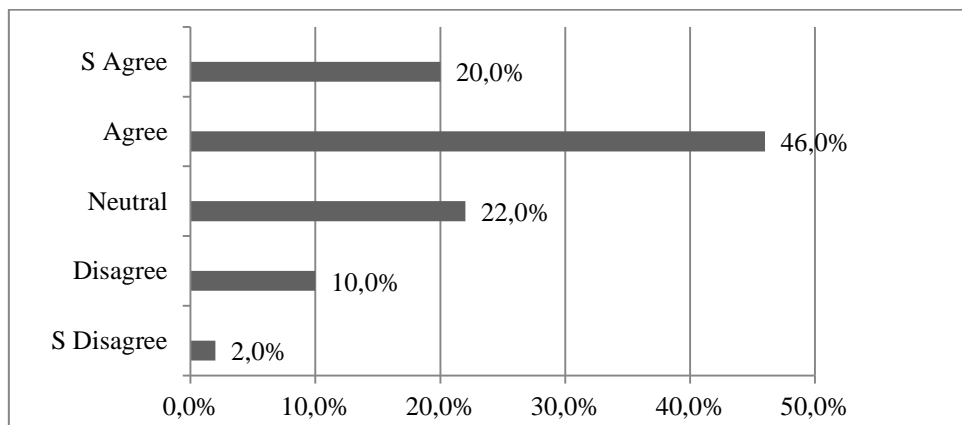


Figure 5. The colour of packaging arousing interest

22% of respondents were neutral and 12% were in disagreement that packaging aroused interest (10% disagreeing and 2% strongly disagreeing). The results indicate a mean value of 3.12, suggesting that there was no strong belief that the colour of packaging aroused interest.

Packaging mainly serving to protect a product

As indicated in Figure 6, the largest proportion of respondents (57%) was in disagreement (45% disagreeing and 12% strongly disagreeing) that packaging serves mainly to protect a product. 31% agreed that packaging mainly serves to protect a product, with 22% agreeing and 9% strongly agreeing in this regard. 12% of respondents were neutral. The mean value was 2.71, suggesting that overall, respondents felt that packaging did not serve mainly to protect a product.

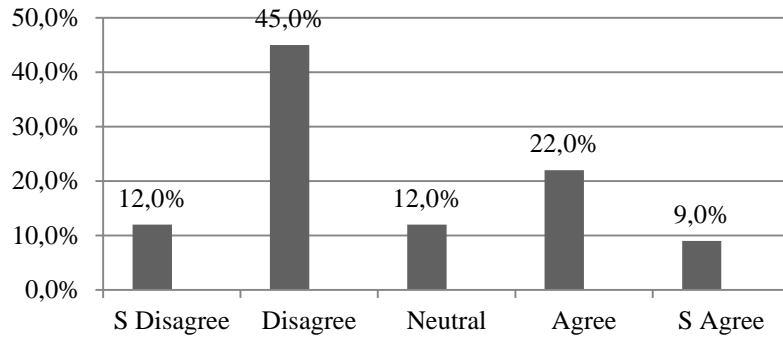


Figure 6. Packaging mainly serving to protect a product

Packaging acting as a silent salesman

The results suggest that respondents believed that packaging acted as a silent salesman, with a total of 70% respondents agreeing (49% agreeing and 21% strongly agreeing). A total of 12% of respondents

disagreed that packaging acted as a silent salesman. The results are presented in Figure 7. Overall, the mean value of 3.92 serves as an indication that there appears to be strong belief that packaging acted as a silent salesman.

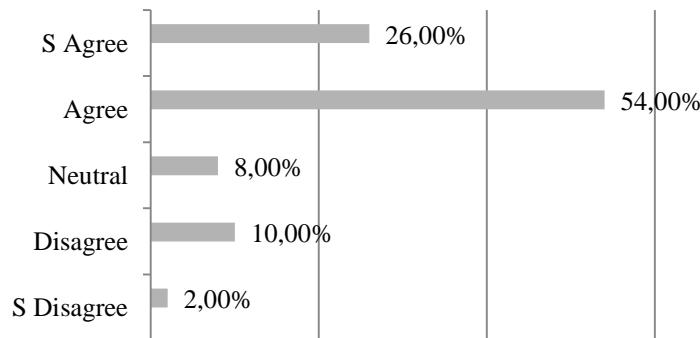


Figure 7. Packaging acting as a silent salesman

Packaging can be deceptive

The results, as reflected in Figure 8, indicate that the vast majority (74%) of respondents agree that packaging can be deceptive, with 66% agreeing and 8% strongly agreeing in this regard. 9% of respondents were neutral and 18 % of respondents

were in disagreement (16% disagreeing and 2% strongly disagreeing) that packaging could be deceptive. The mean value was 3.73 is an indication that, overall, respondents were of the belief that packaging can be deceptive.

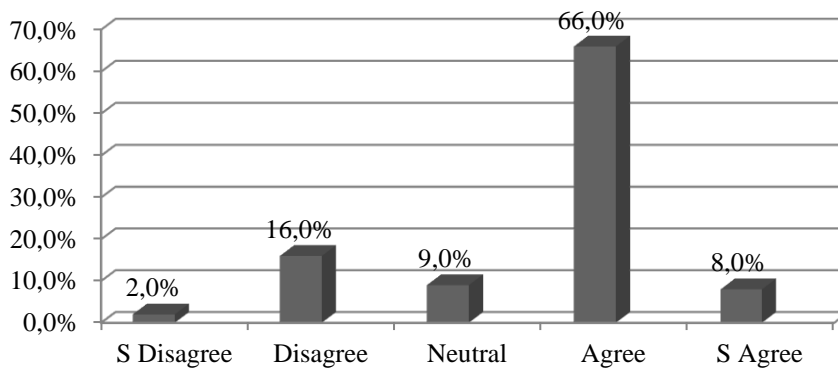


Figure 8. Packaging can be deceptive

Inferential statistics

The statistical analysis included tests for relationships between the three biographical variables of gender, age and education level and perceptions of packaging. As reflected in Table 2, at the 95% level of

significance, there were no significant differences between males and females on the items, except for item 5, viz., that of the colour of packaging arousing interest.

Gender and perceptions of packaging

Table 2. t-test for Gender

Item	t	p
Packaging as a temptation to purchase a product	0.732	0.09
Packaging providing sufficient information when purchasing a product	0.410	0.24
Packaging making it easier to differentiate one brand from another	0.573	0.11
Packaging leading to brand loyalty	0.114	0.21
The colour of packaging arousing interest	0.622	0.02
Packaging mainly serving to protect a product	0.225	0.08
Packaging acting as a silent salesman	0.336	0.09
Packaging can be deceptive	0.258	0.07

Age and perceptions of packaging

The Analysis of Variance, as reflected in Table 3, indicate, at the 95% level of significance, that there

were no significant differences across the various age categories and perceptions of packaging.

Table 3. ANOVA for Age

Item	F	p
Packaging as a temptation to purchase a product	2.14	0.12
Packaging providing sufficient information when purchasing a product	1.98	0.21
Packaging making it easier to differentiate one brand from another	2.44	0.10
Packaging leading to brand loyalty	1.57	0.09
The colour of packaging arousing interest	1.99	0.06
Packaging mainly serving to protect a product	2.08	0.12
Packaging acting as a silent salesman	3.62	0.24
Packaging can be deceptive	2.07	0.19

Education level and perceptions of packaging

As depicted in Table 4, the Analysis of Variance results indicate, at the 95% level of significance, that there were no significant differences across the

various educational categories and the items. This leads to the conclusion that there is no significant difference between education level and perceptions of packaging.

Table 4. ANOVA for Educational Level

Item	F	p
Packaging as a temptation to purchase a product	1.88	0.07
Packaging providing sufficient information when purchasing a product	2.07	0.33
Packaging making it easier to differentiate one brand from another	2.18	0.15
Packaging leading to brand loyalty	3.03	0.26
The colour of packaging arousing interest	3.46	0.08
Packaging mainly serving to protect a product	2.81	0.12
Packaging acting as a silent salesman	3.12	0.13
Packaging can be deceptive	2.85	0.08

Conclusion

This paper sought to ascertain consumer perceptions of packaging as a promotional tool for fast moving consumer goods. The literature suggests that packaging does indeed play a significant role for fast

moving consumer goods from a promotional perspective. It emerged that respondents generally agreed that packaging served as a temptation to purchase a product. Overall, respondents felt that that packaging provided sufficient information when purchasing a product. The results also indicate that

packaging made it easier to differentiate one brand from another. There was also overall agreement that packaging led to brand loyalty. Interestingly, the findings revealed that there was no strong belief that the colour of packaging aroused interest. It emerged that respondents felt that packaging did not serve mainly to protect a product. There was a strong indication that packaging acted as a silent salesman. Respondents, generally, were of the belief that packaging can be deceptive. It emerged that there were no statistically significant differences between males and females on all the items, except that of the colour of packaging arousing interest. There were no statistically significant differences across the various age categories and perceptions of packaging. There was also no statistically significant difference between education level and perceptions of packaging.

Based on the findings of the empirical study, recommendations are made. Marketers must use packaging effectively as a tool in tempting the consumer to purchase. This would find suitable application in impulse purchasing, a phenomenon that has become prevalent in today's marketplace. Increased expenditure on packaging could prove beneficial. The information provided on packaging should be elaborate, at the same time, not being too cluttered or confusing, thereby become counterproductive. Marketers must use packaging to good effect in order to differentiate their offerings from those of competitors. To this end, brand names, logos, packaging shape, packaging dimensions, packaging texture and other cues must be made explicit so that the brand identity through the package is explicit. This is important, considering the number of competing products in the fast moving consumer market. Marketers must use packaging to effective use with a view to developing brand loyalty with customers. Consumers are aware that packaging does not serve entirely to protect a product. The communication and convincing value of packaging thus comes to the fore. To this end marketers need to maximize communication via packaging. This is associated with the finding that consumers believed that packaging acted as a silent salesman. Consequently, marketers need to employ non-human selling tactics, via packaging, with a view to moving products off shelves. Marketers need to be cognizant of the fact that consumers believe that packaging can be deceptive. To this end, they must ensure that the

packaging itself and messages/information on packaging is credible and not misleading.

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