A STUDY ON PACKAGING WITH SPECIAL REFERENCE TO EDIBLE OIL THROUGH CONSUMERS IN CHENNAI

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ABSTRACT

Packaging plays many functional roles from protecting contents to helping the user employ the product but perhaps its main job is still seen as one to help sell the product at the point of purchase. Most products are meaningless (or at least undifferentiated) without their packaging – just take a look at any shampoo fixture and think about how you’d chose one from another. So, once functional considerations are completed the most important design consideration is how best to create and tell a story that stands out from the crowd. In the 80s and 90s it could be argued that packaging designers concerned themselves mostly with how their craft could help add value in terms of improving aesthetic appeal, to then improve sales. This study focuses on the packaging of the edible oil. Therefore the main objective of the study is to understand the buying behavior of the consumers of cooking oil in the market of Chennai with relation to packaging. Marketers need to respect the fact that people and society can change over time. In the early 1980s, consumer consumption is somewhat ‘conspicuous’. Marketers today need to understand that ‘customer satisfaction is about ‘attitude’; and customer value is about ‘behavior’’. For this purpose the researcher the researcher has undertaken a survey using a pre planned structured questionnaire to test the influence factors of the customers to buying a particular brand of oil, to buy particular edible oil, amount of consumption, point of purchase and so on. Cluster sampling technique is followed as customers of edible oil from various income groups, age group and gender group has been considered for this study. This study is conducted on 126 consumers of cooking oil in Chennai. Based on the responses the researcher will have an idea about the fastest moving and the most
preferred brand of edible oil based on the package, choice of a particular variety package of edible oil and so on. This study will give revelation for the cooking oil manufacturers and distributors in India about the expectation of a consumer of cooking oil based on the importance of various variables involved in a purchase of cooking oil based on the packaging.

1. INTRODUCTION

Packaging design in the modern age has become one of the most sophisticated, holistic and powerful examples of the designer’s craft (Fredrick, 2005). The full life cycle of packaging now touches on all of the key issues facing business today and it is important to understand its impact from cradle to grave. From where the original product is sourced and the cost of materials used, to the transportation costs to store and the legacy issues surrounding its reuse or disposal designers today must consider the full impact of a pack’s design. Packaging design can be viewed in four different ways: a means of protecting the contents of a package, a contributor to the cost of the end product, a sales canvas on which to promote the product’s attributes and benefits and a part of the product experience itself. It is not enough for a business to have good products sold at attractive prices. To generate sales and profits, the benefits of products have to be communicated to customers. In marketing, this is commonly known as “promotion”. Promotion is all about companies communicating with customers. (Blattberg, 2005). A business' total marketing communications programme is called the "promotional mix" and consists of a blend of advertising, personal selling, sales promotion and public relations tools. This study focuses on the packaging of the edible oil. Therefore the main objective of the study is to understand the buying behavior of the consumers of cooking oil in the market of Chennai with relation to packaging.

2. NEED FOR THE STUDY

Packaging plays many functional roles from protecting contents to helping the user employ the product but perhaps its main job is still seen as one to help sell the product at the point of purchase (Tellis, 2007). Most products are meaningless (or at least undifferentiated) without their packaging – just take a look at any shampoo fixture and think about how you’d chose one from another. So, once functional considerations are completed the most important design consideration is how best to create and tell a story that stands out from the crowd. In the 80s and 90s it could be argued that packaging designers concerned themselves mostly with how their craft could help add value in terms of improving aesthetic appeal, to then improve sales (Carlton, 2003). The use of foil bags, embossed and etched bottles, textured papers and wax seals, latest print techniques and new materials were options endlessly considered as designers tried to enhance product perception and standout. More recently there has been a marked shift in focus towards environmental issues and the role of packaging. It is somewhat ironic therefore that this simple eco–friendly, yet beautifully functional design is perhaps also a contemporary benchmark for environmentally sustainable packaging. While the repackaging of many grocery items in foil wrap may still be wholly appropriate in many instances to improve shelf life and product perception, the rise of the ‘savvy shopper’ in the last few years has forced packaging professionals to look at alternatives ( Grow,
The growth of retailer ‘basics’ brands and a growing awareness of the impact on the environment of excessive packaging have driven a desire for packs to be wholly recyclable. With around 40,000 different packs to choose from in the average supermarket, across food and non-food items, the challenge is to stand out from the crowd. Over 70% of purchase decisions are made at point of purchase. There are thousands of products competing for shoppers’ attention in store and, according to various research findings; a pack on a supermarket shelf has less than three seconds to grab that attention. This doesn’t mean that packaging necessarily needs to be loud or simple – but it must be clear to the audience for which it is intended (Leslin, 2002). Marketers need to respect the fact that people and society can change over time. In the early 1980s, consumer consumption is somewhat ‘conspicuous’. (Evans and Berman, 2005). Marketers today need to understand that ‘customer satisfaction is about ‘attitude’; and customer value is about ‘behavior’” (Butz and Goodstein, 2006). Demographic variables are the most popular bases for segments the customer groups. One reason is that consumer needs, wants, preferences and usage rates are often highly associated with demographic variables. Another is that demographic variables are easier to measure (Kotler, 2005). This is because marketers have to formulate their marketing strategies in order to fulfill the needs, wants and preference of consumers on the bases. Moreover, demographic variable make known the ongoing trends, such as shifts in age, sex and income distribution that signal new business opportunities to the marketers (Schiffman, Leon G. and Leslie Lazer Kanuk, 2007). These aspects highly motivated the researcher to take up the present study. But the present study will be limited to the income group, age group and the gender of the consumers of cooking oil in the market of Chennai.

3. SIGNIFICANCE OF THE STUDY

The most obvious significance of the study is for developing an appropriate marketing strategy—i.e., for making better marketing campaigns. By understanding that new products are usually initially adopted by a few consumers and only spread later, and then only gradually, to the rest of the population, we learn that, companies that introduce new products must be well financed so that they can stay afloat until their products become a commercial success and it is important to please initial consumers, since they will in turn influence many subsequent consumers’ brand choices. (Festinger, 2004). The demographic environment is of major interest to marketers because it involves people and people make up market (Kotler, 2006). Most of marketers’ strategic decision making heavily depends on the demographic variables of people in the region where they focus on marketing their products. The researcher also has set the following objectives for the research to facilitate the accomplishment of the main objective: To find out whether the package influences the consumer’s purchase decision process, to find out the most preferred brand of cooking oil in the market of Chennai by a customer based on the packaging, awareness of the customers about the nutrition facts provided in the package and finally to provide suitable recommendations to the cooking oil marketers on the basis of the findings of the study. Based on the responses the researcher will have an idea about the fastest moving and the most preferred brand of edible oil based on the package, choice of a particular variety package of edible oil and so on. This study will give revelation for the cooking oil manufacturers and distributors in India about the
expectation of a consumer of cooking oil based on the importance of various variables involved in a purchase of cooking oil based on the packaging.

4. METHODOLOGY OF STUDY

For purpose of analysis the researcher has undertaken a survey using a pre planned structured questionnaire to test the influence factors of the customers to buying a particular brand of oil, to buy particular edible oil, amount of consumption, point of purchase and so on. Cluster sampling technique is followed as customers of edible oil from various income groups, age group and gender group has been considered for this study. This study is conducted on 126 consumers of cooking oil in Chennai.

5. RESULTS OF THE STUDY

The results of this on 126 consumers of cooking oil in Chennai based on the packaging shows that majority of the respondents of this survey are females, this forms about 64% of the total respondents, most of the respondents are in the age group of 31 years to 35 years, which forms about 25% , nearly 19% of the respondents are home makers , While 27% of the respondents are in the income group of Rs 10,000 to Rs 20,000. These are some of the results based on the demographic profile of the study.

6. IMPLICATIONS AND DISCUSSIONS OF THE STUDY

Following are some of the implications of the study based on the survey on 126 customers of edible oil who provided opinion based on the packaging of the edible oil.

6.1 Customer needs

This study revealed that most of the customers that is around 29% of the respondents prefer 5 Kilogram packages while 22% of the respondents during the purchase process look into the shape of the package and the colour design of the package while 14% of the respondents during the purchase process look into the content and text matter of the package and another 12% of the respondents during the purchase process look into the material used for the package. This supports the viewpoint of Schultz (1998), who is of the view that today’s consumer also requires products to have an emotional dimension. Therefore thought also needs to be given to aspects of the product’s social responsibility, especially when it comes to the material used in the packing where recyclable packets are much in talk amongst the customers (Polonsky, 1996).

6.2 Brand

According to Helen (2003), today the after-use is a main consideration for all packaged goods. This is where competition is at its most fierce and therefore also where innovation is often most valuable. The principles, however, are sound whatever the sector. The real point here is that the packaging can often end up becoming the thing of real value above and beyond the actual product itself – the packaging becomes the brand (Richard, 2002).
As the pack becomes the embodiment of the brand, business needs to remember that brands represents business to the consumer which drives home the point respect the brand and it will deliver results. What SVS has proved through the results of this study is that the brand has SVS has delivered the customers what the author has conveyed above to succeed in the market using packaging.

6.3 Nutrition facts

In the food industry generally, packaging design has a huge role to play in helping to communicate a whole host of vitally important messages to the customers. They range from facts about cholesterol content, saturated fatty acids and vitamin information, energy levels and so on. It is also important to remember that packaging is a medium that invades the homes of the customers. Packaging is a good medium to promote information about a whole host of issues from positive, general wellbeing messages about healthy eating, to warnings about health problems. This study reveals that nearly 60% of the customers of edible oil in Chennai are interested in knowing the nutrition facts through packaging. Of these respondents nearly 8% of the respondents regularly check the content matter in the packaging while nearly 42% of the respondents sometimes check the content matter in the packaging.

Another survey by Percy (1997) also substantiates this. Consumers are paying more attention to "front-of-package" nutrition information to assist them in making healthier decisions according to the survey. Nearly 76% say that customers more often want healthier food options when they shop and nearly 65% agree or somewhat agree that food retailers are starting to sell more locally produced fruits and vegetables. Additionally, nearly 49% agree that packaging that displays a row of standardized icons called "Nutrition Keys" on the front of the package with standard ingredients listed on the back would be very helpful for purchasing decisions. The survey by the author Percy (1997) also found that more than half 51% of food shoppers read the ingredients of food items. According to Montgometry (2001), the front-of-package findings, coupled with survey results showing that consumers are trending towards healthier food purchases, presents a tremendous opportunity for consumer products companies that are willing to enhance their nutritional transparency. According to Barban (2008), consumer products companies that use healthy ingredients and are willing to share nutritional information on the front of the packaging can strengthen their customer base amongst a growing faction of consumers.

7. SUGGESTIONS OF THE STUDY

Once the brand has attracted the consumer’s attention the pack then has to stand closer scrutiny. At this level it is important to consider the hierarchy and digestibility of information. Firstly, and most importantly, does the pack communicate its key benefit quickly – be it price (i.e. this is the cheapest on display), appetite appeal (i.e. this will taste great), or functional benefits such as size. Beyond this, the brand needs to consider the order of secondary information, such as performance criteria or foodstuff ingredients.
Getting this hierarchy right is key to creating user-friendly packaging. Lastly, the brand needs to consider how the packs themselves work as part of the product proposition.

8. CONCLUSIONS OF THE STUDY

The modern day marketers live in a world of infinite consumer choice. A strongly packaged brand should offer protection and carve out for a point of difference that can protect the brand against competitor activity through trade marking. But perhaps even more significantly, a strong pack can provide the key to unlocking higher margins as the brand drives an emotional point of difference in addition to a rational one. There are also numerous pitfalls that businesses need to be aware of. For example, the desire to over-design packaging and over-promise can lead to a customer backlash. It does not matter how pretty it looks if what you are selling on the outside is not matched on the inside. Even if they are fooled once, customers will simply buy something else next time around. Following the category cues or the style of the brand leader could lead to trade mark infringement and costly legal action and will most certainly lead to consumers overlooking the product. It is also important to remember that the world is full of cultural and linguistic difference. What works in one market doesn’t always work in another. The bottom line for business is that packaging design will almost always have an effect on a company’s profit and loss. Treated as a cost and nothing more than a cosmetic makeover, the effect on the bottom line is likely to be the wrong one. Treated as an investment and handled with care as a strategic weapon, the result can often be huge dividends.

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