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The Impact of Small and Medium Enterprises (SME) Quality Design Packaging Products in **Satisfying Customer Value and Building Loyalty** in Oman



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#### 1.1 Introduction

The Sultanate of Oman is an Asian country located on the south-west of the Arabian Peninsula. It is located in the south-eastern side of the Arabian Peninsula. It is surrounded by the Sea of Oman and the south-east by the Indian Ocean. The land borders are associated with Saudi Arabia from the west and Yemen from the south-west, and from the north, the UAE borders. The area of the Sultanate of Oman is estimated at three hundred thousand square kilometers. This area includes a variety of terrain such as plains and mountains. The most important coastal plain is the coastal plain, which overlooks the Arabian Sea and

the Gulf of Oman occupies three percent of the Sultanate's total area. Of the total area, and the Dhofar Mountains located in the south-west, the most important, in addition to desert places covering eighty-two percent of its total area, which are mostly in the Empty Quarter (Asia, 2018).

The Omani economy has been on a gentle transformation course through development plans starting with the primary Five Year arrange (1976–1980). At the instruction of His Majesty Sultan Qaboos bin Said, Vision 2020, a thought for Oman's economic future up to the year 2020 was set, outlining the country's economic and social goals over following twenty five years which has Economic and monetary stability, Reshaping the role of presidency within the economy and broadening personal sector participation, Diversifying the economic base and sources of value, globalization of the Omani economy, Upgrading the talents of the Omani force and developing human resources (Strolla et al., 2017).

The growth and the dynamic for small and medium enterprise (SME) are important for developing countries. The (SME) constitutes a spine for various created and rising economies given the segment innate adaptability to adjust to changing financial flow and the imperative part it plays in supporting and supplementing bigger firms. All the more critically, (SME) have altogether added to work creation in that for some created and developing economies, a greater number of individuals are utilized in these undertakings than in the general population division or expansive firms. More employments are likewise produced in this segment than in whatever is left of the parts among these economies. The significance of developing and lively small-medium enterprise (SME) has additionally been attested by the esteem option they make, their commitment to upward social versatility through drop in income difference (Baran and Zerres, 2019).

# 1.2 Background of Study

The loyalty marketing is delivering sustainable. It is usual growth to the shareholders by identifying customer segments and increases the output from those segments. A perception is a one of problem facing in packaging goods. The researcher define the loyalty program as an idea link of how earning promotional currency of improvement cases (Hlavinka, 2018). The Customer loyalty and satisfaction of a product it provides a high level of value in their lifetime. The customer behavior is vary and wide. The loyalty of customer in any product that mean the customer will repeat purchase, desire to refer people to that product or service and convince them to use it and the customers have a willing to recommend the product or the service for improvement (James L. Heskett, 2020).

To manage customer relation, the organization do a process to maximize the customer value over marketing activity based on customer information and contact history in order to maximize customer value over time (Baran and Zerres, 2019). The customer lifetime value is given the organization the opportunity to identify the profit for their market Then, they will always focus on loyalty market for customer and how improving business with current consumer cost less than getting new customer.

The customer who is satisfied with the product or service recommends to others for purchase the product through the consumption experience. Practitioners of traders therefore stressed the concept of customer satisfaction that they knew that a person had an individual preference for the product and his experience

was related to his consumer activities. In a competitive environment, many ways are invested in customer satisfaction as this investment creates a distinct sustainable way because it links the processes with the maximum purchasing and consumption peak with the post-purchase process such as loyalty and word of mouth (Tweneboah-koduah et al., 2020).

The packaging in a product can attend an important function for product. The companies always focus on the attract customer from packaging and the impact on product packaging and cost based function (Hess, Singh and Metcalf, 2019).

The area of study for this research paper is focusing on the relationship of packaging design product, packaging elements and customer satisfaction. Therefore, these relationships can success to create customer loyalty. The hypotheses will design for a new organization in Sultanates of Oman and their entrepreneurs who related to them. Public Authority for Small and Medium Enterprises Development (RIYADA) is a new organization that embraces the owners of small and medium enterprises (SMEs) and helps them to develop products creatively.

RIYADA) is The Public Authority for Small and Medium Enterprises Development in Sultanate of Oman. It is responsible for promoting the small and medium enterprise (SME) sector and enhancing its role in the development of the national economy through providing a full range of technical, training and consulting services.

The General Authority for the Development of Small and Medium Enterprises was established by Royal Decree No. 36/2018. The Authority shall have legal personality and enjoys the financial and administrative independence. The head office of the Authority shall be Muscat Governorate and may be established in the governorates by a decision of its Board of Directors (rivada, 2020). The national economy of any country was really based on small and medium industries these are the foundations, the basis of all national economies (Qaboos bin Said, 2018)".

#### 1.3 Problem Statement

The content of the research was described by problem statement also it works in identifying the general analysis approach. It is the issue that exists in the literature, theory, or practice that leads to a need for the study and when stated effectively should answer the question: Why does this research need to be conducted. Today competition among businesses in markets is so complicated, companies have developing many marketing strategies to provide their goods and services for consumption purposes. Small and medium enterprises must compete in order to remain profitable. In the present, with the increasing understanding and recognition of the significant of customer retention and loyalty, companies now are realizing the importance of goods and services quality. The issue is that to understanding the needs of customers and the changes in their needs during the time would increase the ability of SME to become more customer focused and reinforce their level of profitability. In case that corporations looking for loyal customers, satisfaction is the most important measurement must be taken in the consideration. The companies required to know, understand and realize accurately what customers need from their products. Based on the above, the main problem of the study is; most of the companies in Oman have limited idea about their customers rally thinks and the operating in uncertainty environment this led them to shock when their customer base corrodes and

their existence is threatened. The lack of customer perception advantage which consider the main competitive advantage for companies. Therefore, companies need timely and effective techniques to predict customer perception. The researcher is a customer of the small and medium enterprises in Oman and noticed some of customer express dissatisfaction about several of products. Meanwhile, the researcher noticed that, there are weaknesses in companies' practices of maintaining customer loyalty.

In 21<sup>st</sup> century, many of people turn to be an entrepreneur and have a small or medium company. The government know the Small and Medium Enterprises (SMEs) perform a vital function in a country's economic growth and development. Also, they know the (SMEs) will drive innovation in the future and increase the economics in country. For this reason, the government should plan how can encourage them. Some of (SMEs) fail and others success. One of the reasons of fail is the entrepreneur do not design their product in a creative way. And now in the market there is a big competition of products. Now a day, the packaging of product attracts people and may creating loyalty and satisfaction.

The main goal of package in product to attract attention from consumer. That the package used different kind of communication attribute to convene their needs and desire (Polyaova, 2018). Therefore, the (SMEs) need a help from the government to promote them in a corrective way to start trading right from the first time. Then, the product can create the satisfaction and loyalty for customers.

# 1.4. Research Objectives

In this study, the main objective is to examine the impact of good quality design in product packaging for customer. This can be carried out by following specific objectives:

- 1. To examine the positive significant impact of Packaging Elements on customer satisfaction and customer loyalty.
- 2. To evaluate the positive significant impact of packaging quality design on customer satisfaction and customer loyalty.
- 3. To assess that customer satisfaction has a positive significant impact on customer loyalty.

#### 1.4. Research Questions

Research problem of this study is mirror on the following research question:

- 1- What is the extent of the association between packaging elements and customer satisfaction toward Omani SME customer loyalty?
- 2- What is the extent of the association between quality design and customer satisfaction toward Omani SME customer loyalty?
- 3- What is the extent of association between customer satisfaction and Omani SME customer loyalty?

#### 2.0 Literature Review

The literature review focus on the one tool can affect customer satisfaction and their decision in purchase is a marketing tool which conveys the message of product and the value to the customer. The elements in packaging are size, shape, color, typography and graphics. All of these elements are important to design packaging.

The researchers interest to study about how the packaging can affect customer satisfaction. For instant, Abdalkrim and Al- Hrezat study about the role of quality packaging in Jordanian consumer's in 2018. They get that the creative style of packaging can provide a competitive advantage for the companies. And the price of packaging and product advertising should be harmonious.

The other elements in packaging are technology. If the company design a creative packaging of color, shape ...etc. in a good way, it will have some attract in the consumer. The company if produce a product, and it has a good packaging design and contain an information about the product, it leads to customer purchase, and if the customers like the product, they will re-purchase the product again and again

Customers did not see the packaging from one side also they want a product with quality. The quality also lead customer to buy the product after they get experience from first purchase. As the consumer assesses the quality based on the characteristics of the overall packaging. From here, it is clear to the consumer the benefit of packaging and judging the preference of the new product in next time.

The packaging can has high quality and low quality. Packaging of high quality it give the consumer by itself the image which the product has a high-quality component. In other hand, packaging of low quality the consumer realizes that the product has low quality component. So, the consumers have the instinct to imagine how this product looks and how it tastes, smells, feels, and sounds while displaying images on the packaging.

# 2.1 Brief of Relative Study

thor / Variables	Methodology	Finding
s et al., brand attribu	te qualitative	-characteristics of packaging are
perceptions	approach	significant to estimate the overall
		consumption experience.
(19) consumer-		
brand		-Profitable consumer-brand relationships
relationship		sharply depends on high packaging
investment		quality exactly by realize the equation of
		packaging cost- benefit to add the benefit
behavioral		to customer loyalty as a balance to non-
intentions		consumption packaging considerations.
lalkrim protection of	quantitative	-packaging and products advertising,
-	-	pricing and distribution must be
1 *		harmonious.
(18) convenience		-Companies need to test several types of
		designs to select the best package by
l P		focusing on the use of the product.
promotion of	f	6 F
<del>-</del>		-there is significant relationship between
		the independent variables on Jordanian
		consumer's perception of product quality
		at the time of purchase.
environmenta		at the time of parenase.
	year s et al., brand attribut perceptions  consumer-brand relationship investment behavioral intentions  lalkrim Al- zat products and consumer us  to product and convenience of product promotion of products and facilitation of	rear s et al., brand attribute perceptions qualitative approach  consumer-brand relationship investment  behavioral intentions  alkrim protection of products and consumer use  convenience of product  promotion of products and facilitation of recycling and

www.ijcrt.org		<b>© 20</b>	21 1001X1   Volu	ne 9, issue o August 2021   133N. 2320-2002
		damage toward  consumer perceptions of product quality at the point of purchase in Jordan. The researcher		
Influence of product packaging on consumer purchase intentions	Farooq et al., (2020)	packaging design  packaging graphics  packaging color  packaging material toward  purchase intention	quantitative approach	-packaging are the most valuable aspects in marketing communications.  -innovation of product design effects on consumer feels and forces them to purchase the products.

# **Brief of Relative Study (CONT)**

Source	Author / Year	Variables	Methodology	Finding
The Impact of	Daragahi	innovation	quantitative	-innovations have a positive significant
Innovation on			approach	relationship with customer satisfaction
Customer	(2017)	customer		which means the independents variable
Satisfaction		satisfaction		improved the customer satisfaction.
Product	Ahmed	customer	quantitative	-customer purchase is significantly
Perceived	et al.,	satisfaction	approach	positive linked with customer
Quality and				satisfaction as well as, toward perceived
Purchase	(2020)	product		product quality.
Intention with		Perceived		
Consumer		Quality		-satisfaction is varying from person to
Satisfaction		1		other
		purchase Intention		-customer buying behavior it is affected by plenty of elements however, dealers unable to control these elements like; psychological, individual and social to reach for a certain level of customers efficiently.
The Effects of	Silayoi	reminder of	quantitative	-satisfaction comes from product use,
Packaging	et al.,	quality by	approach	not just packaging.
Elements on		packaging		
LICETA	100400	4 41 1.1	( O ( ) D	erch Theurshie (LICDT) www.iiest ers

Consumer	(2020)		qualitative	-the elements of the package affect as a
Choice,		importance of	approach	reminder of loyalty.
Satisfaction,		packaging		-more loyal customers are likewise
and Loyalty		elements		more like to utilize packaging
				components in their purchase decision.
		reminder of		-the part of packaging affects consumer
		product by		loyalty, alongside the utilization of
		familiar		packaging in the purchase decision.
		packaging		-customers give careful consideration to
				packaging components and recall about
		likelihood of		item quality.
		using packaging		
		elements in		
		purchase		
		decision		
		customer		
		satisfaction		
		customer loyalty		

# **Brief of Relative Study (CONT)**

Source	Author / Year	Variables	Methodology	Finding
The relationship among customer satisfaction, loyalty and financial performance of commercial banks	Gabcova and Belas (2016)	individual approach  financial need recognition  customer acceptance of prices  quality  trust  satisfaction  loyalty  additional purchases potential	quantitative approach	-the biggest potential of additional sales was appeared in the segment of deposit products and mortgage loans by 60.8%customer satisfaction is dependent on the quality of the product from the bankthere is a relationship between customer satisfaction and customer loyalty. Also, the other relation between customer loyalty and purchase potential of client.
Customer satisfaction and customer loyalty	Khadka and Maharjan (2017)	customer satisfaction customer loyalty	quantitative approach qualitative approach	-organizations should work hardly to develop their servicethe organizational member who working on the same surface has a positive influence on the development of customer satisfaction and loyalty.
Product's quality and its impact on	Atlyah	quality of products		-positive significant effect raise between the service provided to

customer satisfaction	(2016)		customers and the company rate or
a field study in		customer	return.
diwaniyah dairy		satisfaction	
factory			
-			

#### 2.2 Quality Design Packaging

One of the key elements in the purchasing industry is the quality of packaging and the quality of the actual product. If there is a new packaging, the consumer forms an opinion about it, so the packaging design variables are very important. As the consumer assesses the quality based on the characteristics of the overall packaging.

### 2.3 Conceptual

Authors at this paper combined two conceptual frameworks the first theory is design embedded business theory and the second theory is taking freeman's stakeholder theory to strongly identify the stockholder point of view and perspectives within a business. Findings reveals that food and beverage service industry are strongly effectiveness in implementing high design quality for their products to reach for high level of profitability. Authors provides several advices for further studies such as; researcher are required to clarify the concept of the growth, developing and profit to provides accurate determine of effectiveness.

Atlyah (2016) entitled Product's quality and its impact on customer satisfaction a field study in diwaniyah dairy factory. The paper seeks to provide a conceptual framework that clarifies the essential concepts linked to quality of products and its relationship to customer satisfaction. Several independent variables which measurers the product quality is conducted at this study which are performance, characteristics, reliability, matching, durability, service level, product appeal and received quality.

In figure 2, the researchers used two variables in their research. Independent variables involved: reminder of quality by packaging, importance of packaging elements and reminder of product by familiar packaging. Dependent variables involved: likelihood of using packaging elements in purchase decision, customer satisfaction and customer loyalty.

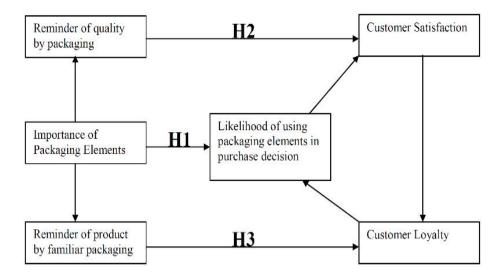


Figure 2, Silayoi et al., (2020) Conceptual Framework for package influence

Source: "Silayoi, P., Malai, V., Rajatanavin, R. and Speece, M. (2020). The Effects of Packaging Elements on Consumer Choice, Satisfaction, and Loyalty, Bangkok, Thailand: Eighth International Conference on Marketing and Development".

The finding reveals that, Satisfaction comes from product use, not just packaging. Can play a role in loyalty; therefore, complacency will be included as a control variable in considering how the elements of the package affect as a reminder of loyalty. More respondents trust they are utilizing packaging components in their purchase decision. More loyal customers are likewise more like to utilize packaging components in their purchase decision. The part of packaging affects consumer loyalty, alongside the utilization of packaging in the purchase decision. Customers give careful consideration to packaging components and recall about item quality.

#### 3.0 Research Methodology

Methodology is a document consisting of a set of guidelines, rules and procedures in an orderly manner, providing us with a set of Simple methods and activities to conduct research in a systematic manner. The research methodology is also used to ensure that results are achieved and facts are discovered to achieve the goals and objectives.

The research design (in general) refers to the overall approach you choose to integrate different components from study in a coherent and logical manner, thus ensuring that you effectively address the problem of research; it is an outline for data collection, measurement and analysis. Put in your mind, your search problem set the type of design you should use also we used SPSS software.

In this section the researcher will discuss the methodology used in the research clearly and choose the appropriate methodology to achieve the goals.

This research applied the quantitative methodology to investigate the research questions. This chapter explains a clear guideline on how the research objectives will be achieved.

### 3.1 Research Design

In this research, researcher obtained information through articles, research, literary references and websites that contain a similar subject to this research. As for the initial and basic data, the research is already designed to collect this type of data because of the nature of the quantitative survey research as the practical aspect of the study of nature make the search as a suitable design.

The aim of research is to derive relationship amongst customer satisfaction and lovalty, packaging elements, quality design packaging. The current study has four variables, so the questionnaire was designed based on these variables (packaging elements, quality design packaging, customer satisfaction, customer loyalty).

# 3.2 Sampling Methodology

As this current study illustrate above, this study conducts in Oman. So, sample population will be Omani people. The whole number of samples is (350) Omani people. The sample is random and involved both of gender (male and female). Quantitative study is used. The group of age ranges between 18 years old and 65 years old. The respondent of sample is (330). So, this study conducts just for (330) respondent 3.3 Sampling Table

Table 1: characteristics of sample of the research study

Variables		N
Gender	Male	140
	Female	190
	18-25 Years	104
300	26-35 Years	62
Age	36-50 Years	74
	51-65 Years	79
	Above 65 Years	11)
		1.30
	Single	115
Marital status	Married	190
	Divorced	16
	widow	9
	Student	57
Occupation	Employee	188
	House wife	85
	Muscat	78
	Dhofar	48
	Al- Dakhliyah	11
Governorate location	Al- Dhaherah	34
	Al-Sharqiah	38
	Al-Wsta	38
	Musandam	28
	Al-Buraimi	34
	Al-Batinah	21

#### 3.4 Data Collection

In this research the researcher will use a survey as an instrument for collecting data. Survey is a method of collecting primary data base on connection with a representative sample of person. Then, the analysis of data will be by SPSS program.

#### 3.5 Data Collection procedure

The process for collecting data, researcher will use cross-sectional studies. Cross-sectional studies mean the researcher carried out the test once and represent a snapshot of one point in time.

#### 3.6 Reliability

Reliability is the measurement that search tools get and data collection continuously to achieve the same results if they are used in the same situation more than once on frequent occasions. It is contributing to the consistency of the measurement through the properties that the researcher tries to measure. Therefore, the participant must have a tool that intends to measure the same motives each time the test is performed (Heale and Twycross, 2020).

There are three attributes of reliability

- Homogeneity and internal consistency is a measure of the homogeneity of items and grades. It is also meant that each paragraph of the questionnaire is consistent and linked to the area to which the paragraph belongs. There are several different ways to calculate correlation coefficients between paragraphs and analysis in the questionnaire using the Cronbach alpha factor. Strong links and homogeneity indicate high reliability.
- Stability is using re-test application or test alternative to the same group and in the same circumstances, more than once.
- Assessment of equivalence is done by inter-rater reliability. This includes this test to the process of determining the level of observers between two or more.

#### 3.7Pre Testing the Questionnaire

Using suitable statistical analysis also the test hypotheses, for example:

- T-test: it used to examine the significance of differences of means from two groups.
- Analysis of variance (ANOVA): it used to examine the significance of differences among means from more than two different groups by using the F-test.
- List regression analysis: to find the variance illustrate in the dependent variables (DV) through independent variables (IV).

# 3.8 Analysis Technique

The data will analyze by Statistical Package for the Social Sciences (SPSS) after receive a respondent from the target sample. The (mean) is compute to rank the main variables of packaging that affects customer.

#### 3.9 Questionnaire

The questionnaire has four sections. Section (A) indicates to demographic that include gender, marital status, age, occupation and governorate location. Section (B) has a close question. These questions have multiple choice to answer it and some of them has yes/no answer. Section (C), (D) and (E) include interval

scale. The scale is (1= Strongly Agree, 2= Agree, 3= Neutral, 4= Disagree, 5= Strongly Disgree). Each section from C, D and E has some statement. For example, section (C) has eight statement and all talking about perceived value (Polyaova, 2018, N. AGATA, 2017). Section (D) has five statements and all talking about customer satisfaction (Polyaova, 2018, N. AGATA, 2017). The last section is section (E) and it has four statements. The statement in section (E) developed from section (C) and (D).

#### 4.0 Data Analysis

This chapter presents the data analysis based on the findings of the study. Descriptive analysis on the sample was presented using adjusted r-squire test, ANOVA, and linear regression analysis showing the differences and the relations across the study variables. Cronbach's Alpha and Pearson's correlation analysis is conducted too. The variables which will analyses is:

- Independent variable (PE + QDP)
- Mediator Variable (CS)
- Dependent Variable (CL)

The survey questionnaires were sent out to the respondents in 24/7/2021 and the dead line for receiving the completed questionnaire was end of July 2021. Three-hundred fifty (350) questionnaires were distributed to Oman's respondents. The questionnaires sent to the audience were all collected in different times since there are some difficulties to get them at the same time especially in big country like Oman. However, at the end, Three-hundred thirty (330) respondents for questionnaires were answered.

Reliability Test is mean the consistency and stability of a particular set of items used in measuring a variable. The reason of this process in order to illustrate the guarantee of data analysis. The test of reliability uses to test the internal consistency of the variables, that mean Cronbach's Alpha coefficient for the variable important to be not less than 0.7, so that is refer the variable is acceptable.

The next step is described analysis. The goal of this step is to illustrate and conclude the basic and important information about (330) respondents. In this step, the frequency and percentage is the based to present the result. In addition, assume the result reason. The frequency and percentage will be for:

- Gender (Male, Female).
- Age (18 Years old more than 65 Years old).
- Marital Status (Single, Married, Divorced, Widow).
- Occupation (Student, Employee, House Wife).
- Governorate Location (Muscat, Dhofar, Al- Dakhliyah, Al- Dhaherah, Al-Sharqiah, Al-Wsta, Musandam, Al-Buraimi, Al-Batinah).

After that, the variable measure analysis will show. The important meaning of this section is to distinguish the relationship between:

- Packaging elements and customer satisfaction.
- Quality design packaging and customer satisfaction.
- Customer satisfaction and customer loyalty.

Furthermore, Pearson Correlation Analysis used. The benefit of it to test the relationship between variables and the standard result is between (-1&+1).

In addition, the Goodness of fit test is used. Goodness of fit test (in general) is use to test whether the sample data fits the distribution of a given population. This means that it tells researchers whether their model data represents the data they expect to find in the actual population (Statistics How To, 2018).

#### 4.1 Discussion on sample size

# 4.1.2 Sample Characteristic **Respondents Profile:**

**Table 2: Profile of the Respondents** 

		Frequenc	Percen	Valid	Cumulative
		${f y}$	t	Percent	Percent
Gender	Female	190	29.7	57.6	57.6
	Male	140	21.9	42.4	100.0
	Total	330	100.0	100.0	
Age	18-25 years	104	16.3	31.5	31.5
	26-35 Years	62	9.7	18.8	50.3
	36-50 years	74	11.6	22.4	72.7
	51-65 years	79	12.3	23.9	96.7
	above 65 Years	11	1.7	3.3	100.0
	Total	330	100.0	100.0	
Marital	Single	115	18.0	34.8	34.8
Status	Married	190	29.7	57.6	92.4
	Divorced	16	2.5	4.8	97.3
	Widow	9	1.4	2.7	100.0
					10
	Total	330	100.0	100.0	10

Table 2 above shows the gender of the respondents Females and Males. Out of 330 respondents, there Females seem to be bigger with 190 responses with a percentage of 29.7%. The rest, 140, were males with a percentage of 21.9%. The respondents ages set are (18-25), (26-35), (36-50), (51-65) and (65 and above). 104 questionnaires with a percentage of 16.3% were answered by those whose ages are between (18-25). Those whose ages are between (26-35) answered 62 questionnaires with a percentage of 9.7%. As for those who are between (36-50) answered 74 questionnaires with a percentage of 11.6%. Regarding those whose age are (51-65) answered 79 questionnaires with a percentage of 12.3%. While those who are 65 years old and above, they answered 11 questionnaires with a percentage of 1.7%.

In term of marital status of the respondents. Firstly, those who are single record 115 of the respondents with a percentage of 18.0%. As for the married respondents, they are 190 with a percentage of 29.7%. The divorced respondents are 16 with a percentage of 2.5%. Then the widow respondents are 9 with a percentage of 1.4%.

**Table 3: Occupation Respondents** 

Occupation	Frequency	Percent	Valid	Cumulative
			Percent	Percent
Student	57	8.9	17.3	17.3
Employee	188	29.4	57.0	74.2
House Wife	85	13.2	25.5	99.7
Total	330	51.6	100.0	

The above table 3 shows the occupation of the respondents Firstly, those who are students are 57 of the respondents with a percentage of 8.9%. As for the employee, they are 188 with a percentage of 29.4%. The house wife respondents are 85 with a percentage of 13.2%.

Table 4: Governorate location Respondents

Governorate	Frequency	Percent	Valid	Cumulative
Location			Percent	Percent
Muscat	78	12.2	23.6	23.6
Dhofar	48	7.5	14.5	38.2
Al-	11	1.7	3.3	41.5
Dakhliyah				
Al-	34	5.3	10.3	51.8
Dhaherah				
Al-Sharqiah	38	5.9	11.5	63.3
Al-Wsta	38	5.9	11.5	74.8
Musandam	28	4.4	8.5	83.3
Al-Buraimi	34	5.3	10.3	93.6
Al-Batinah	21	3.3	6.4	100.0
Total	330	51.6	100.0	

Table 4. above shows the respondents governorate location. 78 of the respondents are located in Muscat with a percentage of 12.2%. While 48 of the respondents are located in Dhofar city with a percentage of 7.5%. Then 38 of the respondents are located in Al-Sharqiah city with a percentage of 5.9%. The exact number of the respondents in Al-Wsta city by 38 respondents. As for the respondents in both of Al-Dhaherah city and Al-Buraimi city comes with frequency of 34 with a percentage of 10.3%. Finally, the rest of the respondents are located in (Musandam, Al-Batinah and Al- Dakhliyah) with a percentage of (4.4%, 3.3% and 1.7 respectively).

Table 5: Respondent of packaging Influence

	le 5: Responde	iii oi packagii	ig influence	1
Background variable packaging influence particular product	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	170	26.6%	51,5	51,5
No	104	16.3%	31.5	83.3
Sometimes	56	8.8%	17.0	100,0
priority towards packaging while purchasing a product	Frequency	Percent	Valid Percent	Cumulative Percent
eco-friendly packaging	151	23.6%	45.8	64.5
convenience packaging	55	8.6%	16.7	81.2
protective packaging	62	9.7%	18.8	18.8
All the above	62	9.7%	18.8	100.0
discontinue purchase the product if the packaging change	Frequency	Percent	Valid Percent	Cumulative Percent
Vac	106	1.6 40/	31.8	31.8
Yes	106	16.4%	31.8	31.0
No No	224	35.0%	67.9	99.7
No your preference when buying	224	35.0%	67.9 Valid	99.7 Cumulative
No your preference when buying products	224 Frequency	35.0%  Percent	67.9  Valid Percent	99.7 Cumulative Percent
No your preference when buying products Color	Frequency 55	35.0%  Percent  8.6%	67.9  Valid Percent  16.7	99.7 Cumulative Percent 16.7
No your preference when buying products Color Shape & Size Material use Text & Graphic	224  Frequency  55  131	35.0%  Percent  8.6%  20.5%	67.9  Valid Percent  16.7  39,7  20,9  22.7	99.7  Cumulative Percent  16.7  56.4  77.3  100.0
your preference when buying products  Color Shape & Size  Material use  Text & Graphic  What influence you most when	224 Frequency 55 131 69	35.0%  Percent  8.6%  20.5%  10.8%	67.9  Valid  Percent  16.7  39,7  20,9	99.7  Cumulative Percent  16.7  56.4  77.3
No your preference when buying products Color Shape & Size Material use Text & Graphic	224 Frequency 55 131 69 75	35.0%  Percent  8.6%  20.5%  10.8%  11.7%	67.9  Valid Percent  16.7  39,7  20,9  22.7  Valid	99.7  Cumulative Percent 16.7 56.4 77.3 100.0  Cumulative
your preference when buying products  Color Shape & Size  Material use  Text & Graphic  What influence you most when you purchase the product?	224  Frequency  55  131  69  75  Frequency	35.0%  Percent  8.6%  20.5%  10.8%  11.7%  Percent	67.9  Valid Percent  16.7  39,7  20,9  22.7  Valid Percent	99.7 Cumulative Percent 16.7 56.4 77.3 100.0 Cumulative Percent
your preference when buying products  Color Shape & Size Material use  Text & Graphic What influence you most when you purchase the product?  Brand	224 Frequency 55 131 69 75 Frequency 30	35.0%  Percent  8.6%  20.5%  10.8%  11.7%  Percent  4.7%	67.9  Valid Percent  16.7  39,7  20,9  22.7  Valid Percent  9.1	99.7  Cumulative Percent  16.7  56.4  77.3  100.0  Cumulative Percent  9.1

The finding of table 5 illustrates that the respondents frequency about the question of packaging influence the buyer to buy a particular product show that the 170 respondents are effected about product packaging with percentage of 26.6%, while 104 of the respondents says that they are not affected about if the products are packaged or not with a percentage of 16.3%. Findings reveal that 151 of the respondent's priority toward packaging is directed toward eco-friendly pack with a percentage of 23.6%. Then, both of protective packaging and convenience packaging shows a frequency of 62 and 55 with a percentage of 9.7% and 8.6% respectively. Thereafter, 62 of the respondents selected all the above choices with a percentage of 9.7%.

regarding to the respondents discontinue purchase status of products if the packaging changes the frequency rate shows that 224 of the respondents did not stop purchasing the product with a percentage of 35% with the rest of the respondents 106 are totally stop dealing with the product with a percentage of 16.4%. in order to clarify the client's preference toward buying products the results show that shape and size ranked first with highest level of frequency which is 131 respondents. Then, text and graphic with 75 of the respondents with a percentage of 11.7%. Thereafter, 69 of the respondents with a percentage 10.8% prefer the material use of the product. Eventually, 55 of the respondents prefer the colour once they decided to purchase the product with the percentage of 8.6%. The above table show that majority of the respondents are looking for product quality during the purchasing decision with a percentage of 24.2% of 155 frequency respondent while, the rest of the factors such as; price, design of package and brand recorded the frequency of (80, 65, and 30 of the respondent answers with a percentage of 12.5%, 10.2% and 4.7%).

#### 4.2 Data analysis methods

Based on, questionnaire data analysis for Omani customer satisfaction and loyalty results reveals that, While, customers satisfied with the packaging and this keep them loyal for the company products with mean score 2.06. Packaging of Omani SME products packaging keep customers more satisfied with frequency of 200 and mean score of 1.99. The finding is consistent with these following authors (Keisidou et al., 2018; Chavan & Ahmad, 2018; Belás, Chochoľáková, & Gabčová, 2020; Bilan, 2018; Munari et al., 2018).

Table 6: Mediator Variable (Customer Satisfaction Respondent)

Questions	Frequency	Percent	Valid Percent	Mean
The packaging of product meets my satisfaction	200	31.3%	60.6	1.99
If I am satisfied with the packaging, I will always buy the product	170	26.6%	51.5	2.06
I am Satisfied with the Packaging of the product which is produce by small and medium enterprise (SMEs)	144	22.5%	43.6	2.21
I am satisfied with the packaging more than quality	192	30.0%	58.2	1.91
Product Satisfaction lead to customer satisfaction	222	34.7%	67.3	1.84

Table 6. shows the sample responses frequency; the below table is about the agreeing or disagreeing about certain points. The answers for the questions were also from strongly agree to strongly disagree. The agree choice has got the highest rank in each point or question but with differences from point to another. As the researcher see the response of Product Satisfaction lead to customer satisfaction accepted with a frequency of 222 and a percentage of 34.7%. The second highest agree rank is related to the packaging of product meet my satisfaction accepted with a frequency of 200 and a percentage of 31.3%. The third rank is seen to go to the benefit of I am satisfied with the packaging more than quality with a frequency of 192 and a percentage of 30%. Response to If I am satisfied with the packaging, I will always buy the product is ranked four with a frequency of 170 and a percentage of 26.6%. Lastly, I am Satisfied with the Packaging of the product which is produce by small and medium enterprise (SMEs) shows as frequency of 144 and a percentage of 22.5%.

Table7: Customer Loyalty Respondent

	Table 7. Customer Loyarty Respondent				
Questions	Frequency	Percent	Valid Percent	Mean	
Satisfaction in a particular	210	32.8%	63.6	2.07	
packaging lead to loyalty of that					
product					
When I become loyal to a product,	224	35.0%	67.9	2.02	
I will not change?					
Loyalty is difficult to gain in the	198	30.9%	60.0	1.88	
packaging of the product					
I do not have loyal to products	182	28.4%	55.2	1.93	
from small and medium enterprise			//6	112 .	
(SMEs)				) -	

Table 7. shows the sample responses frequency; the agree choice has got the highest rank in each point or question but with differences from point to another. As the researcher see the response of when I become loyal to a product, I will not change accepted with a frequency of 224 and a percentage of 35%. The second highest agree rank is related to Satisfaction in a particular packaging lead to loyalty of that product accepted with a frequency of 210 and a percentage of 32.8%. The third rank is seen to go to the benefit of Loyalty is difficult to gain in the packaging of the product with a frequency of 198 and a percentage of 30.9%. Response to I do not have loyal to products from small and medium enterprise (SMEs) is ranked four with a frequency of 182 and a percentage of 28.4%.

Table 8. Packaging Quality Design

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Questions	Frequency	Percent	Valid Percent	Mean
Packaging is attractive	170	26.6%	51.5	1.96
I select products according to	182	28.4%	55.2	1.88
packaging				
I like the Colour of Packaging	192	30.0%	58.2	1.89
Colour of Packaging matters in	164	25.6%	49.7	2.10
purchasing a product				
The quality of packaging can	194	30.0%	58.8	2.10
save product better				
Product packed in high quality	218	34.1%	66.1	1.83
material is more preferable				
I feel positive when I see a good	188	29.4%	57.0	1.80
packaging				
I have interest if the package has	192	30.0%	58.2	1.93
some technology in their design	VI/			

The results are explained in table 8. They talk about packaging quality design. As the researcher see the response of Product packed in high quality material is more preferable accepted with a frequency of 218 and a percentage of 34.1%. The second highest agree rank is related to the quality of packaging can save product better accepted with a frequency of 194 and a percentage of 30%. Subsequently, the rest of the products quality design are ranked gradually (I like the Colour of Packaging, I have interest if the package has some technology in their design, I feel positive when I see a good packaging, I select products according to packaging, Packaging is attractive and Colour of Packaging matters in purchasing a product) with a frequency of (192, 192, 188, 182, 170 and 164 with a percentage of 30%, 30%, 29.4%, 28.4, 26.6 and 25.6 respectively).

#### 5.0 Discussion

# A) The importance of Packaging elements for Omani SME customers satisfaction

Obtained results from the regression model analysis indicates that's Omani customers satisfaction towards the loyalty is positive significant and full mediator variable based on the significant results of the independent variable toward it which from packaging elements  $\beta = .320$ , p< 0.05; while, adjusted R<sup>2</sup> increased from 10.3% to 31.9% due to the mediator role of customer satisfaction. Packaging elements estimated by marketer's believers as a very important part for both of marketing mix elements and product strategy. The positive significant relationship between packaging elements and customer satisfaction shows that Omani SME companies focuses on several factors such as; product size. Companies that working in redesigning their product packaging gain high level of product consumption. Moreover, companies that operating in developing and increasing their packaging size reflects better quality to their customers. Also, companies required to keep changing in their packaging to access for new markets. Secondly, product

graphic assist company's marketers to highlighting their products brand effectively, reinforce product value especially in the physical appearance and marketer focused on graphic to increase client's moods and effecting their unseen goals and determination. Thirdly, companies add color features to products for classifying product category. Whilst, most distinctive companies keep their products more unique compared to other competing brands by enhancing color features. Fourthly, products material increases the perceived quality liked with the product. In addition, materials increase marketer's ability to prevent the product freshness. Omani companies enhancing innovative packaging shapes and design to maintain their customer involvement to products. Eventually, Omani manufacturing companies dusty concentrated on aspects related to product information like health and labeling, developing continuously research for increasing product credibility and avoiding confusing during operational process by implementing on appropriate information sources to provide manufacturing inputs. Based on, questionnaire data analysis for Omani customers buying products preference results reveals that 20.5% and 11.7% of the respondents preferred shape & size and text & graphic on their purchasing design respectively. The finding is consistent with these following authors (Lynsey; Laura; Armstrong; Heather, 2018; Golnesa, 2018; Arun; Ankuri; Hitesh; Udit; Deepali, 2017; Rundh, 2018).

#### B) The importance of quality design for Omani SME customers satisfaction

Obtained results from the regression model analysis indicates that's Omani customers satisfaction towards the loyalty is positive significant and full mediator variable based on the significant results of the independent variable toward it which from product quality design  $\beta = .635$ , p< 0.05; while, adjusted R<sup>2</sup> recorded high rate from 40.3% to 31.9% due to the mediator role of customer satisfaction. Product quality design provides a competitive edge for manufacturing companies and works on maintaining company's reputation as well. The positive significant relationship between quality design and customer satisfaction shows that Omani SME companies keep on consideration several aspects which provide suitable design for their products like product useful and usable which insure product functions and features. Moreover, characteristics like product desirable and producible are added to their products. In addition, products design needs to be profitable by achieving sufficient business reward and differentiated. Omani product producers focusing on main design management phases which include managing design strategy to assist companies to look for products conditions to gain successful design management. Furthermore, managing design process to increase the ability of identifying opportunities of products, concept development, product planning, detailed engineering and production ramp-up. Positive relationship and high correlation between product quality design and customer satisfaction means that Omani SME companies distinguish between the distinctive features of product and service design. Product design work on defines appearance of product, sets standards for performance, specifies useful materials and determines accurate dimensions and tolerances. Whilst, services design consists of identifying and select what physical items, psychological and sensual benefits customers can obtain. Based on, questionnaire data analysis for Omani customers design preference especially color of packaging matters in purchasing a product, the quality of packaging can save product better and packaging is attractive with a mean rate (2.10, 2.10 and 1.96 respectively). The finding is consistent with these following authors (Suchánek, Špalek, 2017; Altin, A., S., Tecer, L., Altin, S., and Kahraman, B. F. 2019).

### C) The importance of customer satisfaction and lovalty for Omani SME customers

Obtained results from the regression model analysis indicates that's Omani customers satisfaction towards the loyalty is positive significant and full mediator variable based on the significant results  $\beta = .565$ , p< 0.05. Modern business success is strongly depending on customer satisfaction and loyalty. Through wide range of academic researches various methods implemented to test, evaluate and assess customer satisfaction and the results indicate to high level of connection between relationship between customers and level of loyalty. The positive relationship between the mediator variable customer satisfaction and dependent variables customer loyalty shows that, Omani SME work seriously in developing their products and services feedback system, establishing modern training style to enhance skills for product producers, adopting new advertising campaigns to increase their market share and widely participating in global exhibitions and events. Omani SME gains many advantages by increasing their customer satisfaction like extension customer life cycle, reinforce customer loyalty, increase positive moth communication between audiences regarding their products. They are realizing that, evaluating, accurate monitoring and measuring customer satisfaction plays essential role in area of corporate social responsibility in SME sector. For achieving customer loyalty Omani SME required to works through several important processes which are; realizing the customer's needs and wants, focus more on promotion, prices and establishing comfort environment. Based on, questionnaire data analysis for Omani customer satisfaction and loyalty results reveals that, While, customers satisfied with the packaging and this keep them loyal for the company products with mean score 2.06. Packaging of Omani SME products packaging keep customers more satisfied with frequency of 200 and mean score of 1.99. The finding is consistent with these following authors (Keisidou et al., 2018; Chavan & Ahmad, 2018; Belás, Chochol'áková, & Gabčová, 2020; Bilan, 2018; Munari et al., 2018).

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