



EFFECTS OF LABELLING AND PACKING IN CONSUMER BEHAVIOUR OF BUYING FMCG PRODUCTS IN TIRUPPUR DISTRICT

Dr. S. KAMESH

Dean, Academic Affairs,

Bharathidasan College of Arts and Science, Erode-6381116.

Mr. K. SADAIYAPPAN

Ph.D Research scholar,

PG & Research Department of Commerce, Vellakovil Arts & Science College, Vellakovil -

638111 .

ABSTRACT

Package attracts consumer's attention to particular brand, enhances its image, and Effects consumer's perceptions about product. Package imparts unique value to products works as a tool for differentiation, i.e. helps consumers to choose the product from wide range of similar products, stimulates customers buying behaviour. A good image enhances the value of the brand in the eyes of the consumer by increasing its likeability/desirability and differentiating it from other competing brands. According to Young (2008), when labelling messages are positioned on either side of the main visual, it pulls viewers in two different directions, and often results in some messages getting lost outside of the primary viewing flow. Branding becomes important as there is scope for product duplication with minor modifications in the logo and packing can significantly mislead consumer to choose duplicate version of the product promoted in the market. In this regard, it is important to verify various characteristics that are unique for a specific brand featured in their label and also the quality of packing that ensures consumers buying the original product from the market. In this regard FMCG products play important role considered to find the positive part of Effects of labelling and packing on buying behaviour mediated by brand image. The objective is to study the labelling and packing influencing consumer behaviour of buying FMCG products in Tiruppur District. The area covered is the District of Tiruppur limits One hundred and eighty samples were taken using convenient sampling method. The collected data have been analyzed with the help of tools like Descriptive Statistics and Chi-Square test. For testing the reliability Cronbach's Alpha is used. Frequency of buying consumer goods and Perception of Consumers on Buying Behaviour of FMCG products achieved statically significant association ensuring to reject the null hypothesis. To sum-up, packing and labelling together have significant impact to identify brands that have resultant consequences leading to buying behaviour. Therefore, further attempt can be made comparing all four constructs in which packing and

labelling can act as exogenous constructs have impact brand image which shall be a mediator predicting buying behaviour.

Key Words: Packing, Labelling, Consumer, Buying Behaviour, FMCG Products, etc.

1. INTRODUCTION

Package attracts consumer's attention to particular brand, enhances its image, and Effects consumer's perceptions about product. Package imparts unique value to products works as a tool for differentiation, i.e. helps consumers to choose the product from wide range of similar products, stimulates customers buying behavior. Thus package performs an important role in marketing communications and could be treated as one of the most important factors influencing consumer's purchase of package, its elements and their impact on consumer's buying behavior became a relevant issue. A good image enhances the value of the brand in the eyes of the consumer by increasing its likeability/desirability and differentiating it from other competing brands. According to Young (2008), when labeling messages are positioned on either side of the main visual, it pulls viewers in two different directions, and often results in some messages getting lost outside of the primary viewing flow. This study is a maiden attempt by the author in Tiruppur District evaluating the Effects of packing and labelling on buying behaviour of fast moving consumer goods (FMCG). In this regard, literature review that also covers theoretical underpinning relevant to the study represented in the form of literature review. The study flows with declaring the problem statement followed by objectives, methodology, limitation and analysis of results and finally, suggestions and conclusion of the study.

2) LITERATURE REVIEW

Bed Nath Sharma Dec. 2008 studied New Consumer Products Branding, Packaging and Labeling in Nepal. This paper focuses on existing practice of branding, packaging and labeling of new products in consumer product manufacturing units. The study method was Descriptive presentation of facts collected through questionnaire survey concerned with different section of consumer new products (soap, biscuit, noodles, cigarettes and The study further investigates the new consumer product packaging and labeling status in manufacturing units. They are aware about the value of packaging and labeling. Majority of the consumer products 84.37% (27 out of 32 responses) are using product label as a simple tag attached to the product or an elaborately designed graphic that is part of the package.

PiresGon, Calves, Ricardo (2008) worked on Product Characteristics and Quality Perception, and suggested that consumers are faced with quality and product performance uncertainty; hence, they rely on cues as extrinsic attributes, for instance brand, price, package and warranty, as signals of perceived quality. Little research has been done on packages as extrinsic attributes used by consumers as signs of perceived quality, thus this study is a small contribution to that lack of scholarly research on packages. The model proposed in this study builds on previous models of consumer quality perception and signals of quality from product cues. In this research, colors and shapes combinations in labels are considered as the extrinsic attributes used as signals of quality by consumers.

Rashid Saeed, et al., (2013) determined the impact of labeling on consumer buying behaviour. The data analyzed through descriptive statistics, correlation and linear regression techniques showed that advertisement has positive relationship with consumer buying behaviour. The results of regression analysis showed that labeling positively Effects consumer buying behaviour. Consumers purchase more quantity of the products after looking at a well labeled product. Therefore labeling Effects the consumer buying behaviour. But there are some other factors also which Effects the consumer buying behavior.

3) PROBLEM STATEMENT

Branding becomes important as there is scope for product duplication with minor modifications in the logo and packing can significantly mislead consumer to choose duplicate version of the product promoted in the market. In this regard, it is important to verify various characteristics that are unique for a specific brand featured in their label and also the quality of packing that ensures consumers buying the original product from the market. In this regard FMCG products play important role considered to find the positive part of Effects of labelling and packing on buying behaviour mediated by brand image.

4) OBJECTIVE OF THE STUDY

1. To study the labelling and packing influencing consumer behaviour of buying FMCG products in Tiruppur District.

5) METHODOLOGY

Research methodology is a way to systematically solve the research problem. It may be understood as a science of studying how research is done scientifically. The research is descriptive in nature. Primary and secondary data are used for data collection. The area covered is the District of Tiruppur limits and the areas mainly concentrated for the study are the places where the visit of the consumers is much prominent like, Retail outlets, Open Market, Shopping Complex, Departmental Stores, etc. One hundred and eighty samples were taken using convenient sampling method. The collected data have been analyzed with the help of tools like Descriptive Statistics and Chi-Square test. For testing the reliability Cronbach's Alpha is used.

6) LIMITATIONS OF THE STUDY

The study is restricted only to the geographical limits of Tiruppur District and the findings may not be applicable to other similar areas and situations and Accuracy of the primary data collected depends up on the authenticity of the information given by the respondent, and this might have led to personal bias.

7) ANALYSIS AND RESULTS

Initially, demographic characteristics such as age, gender, marital status, educational qualification, occupation and monthly income of the consumers are analysed followed by the three independent variables viz. Labelling, Packing, Brand Image influencing Buying Behaviour (dependent variable) analyzed using descriptive statistics. A comparison is made between frequency of buying FMCG products and consumer perception index on Buying behaviour using chi-square test.

7.1 Demographic Variables

Table 1 shows

- More than one third (37.8%) of the consumers are in the age of 41 to 50 years. 32.8% belong to 31 to 40 years age category, 15% are above 50 years of age and 14.4% are in the age between 21 and 30 years.
- Most (59.4%) of the consumers participated in the survey are male and 40.6% are female.
- Vast majority (86.7%) of the consumers participated in the survey are married and 13.3% are unmarried.
- One third (33.3%) of the consumers fall in other educational categories, while 31.1% are graduates with arts and science specialisation, 25% participants completed upto school level (SSLC / H.Sc.) and the remaining 10.6% of the participants are graduates with engineering background.

Table 1: Demography of the Respondents

Sl.	Demography	Frequency (180 Nos.)	Percentage (100%)
1.	Age		
	21 to 30 years	26	14.4
	31 to 40 years	59	32.8
	41 to 50 years	68	37.8
	Above 50 years	27	15.0
2.	Gender		
	Male	107	59.4
	Female	73	40.6
3.	Marital Status		
	Married	156	86.7
	Unmarried	24	13.3
4.	Educational Qualification		
	Upto school level (SSLC / H.Sc.)	45	25.0
	Graduates (Arts & science)	56	31.1
	Graduates (Engineering)	19	10.6
	Others	60	33.3
5.	Occupation		
	Public Sector	12	6.7
	Private Sector	59	32.8
	Self Employed	48	26.7
	Others	61	33.9
6.	Monthly Income		
	Below Rs.20000	21	11.7
	Rs.20,001 to 30000	56	31.1
	Rs.30001 to 40000	66	36.7
	Above Rs.40000	37	20.6

- Above one third (33.9%) of the consumers fall in other occupational categories, while 32.8% are working in private organisations, 26.7% are self employed and the remaining 6.7% of the consumers are working in public sector firms.
- Majority (36.7%) of the consumers are having income between Rs.30001 and 40000 per month, 31.1% are earning Rs.20001 to 30000, 20.6% respondents income is above Rs.40000 a month and the remaining 11.7% respondents indicated income below Rs.20000 per month.

7.2. BUYING FREQUENCY

Table 2: Frequency of Buying Consumer Goods

Buying Frequency	Frequency	Percent
Often	59	32.8
Moderately frequent	72	40.0
Less Frequent	49	27.2
Total	180	100.0

Most (40%) of the consumers are involved moderately frequent in buying consumer products, while 32.8% are often involved in buying FMCG products and the remaining 27.2% are less frequently involved in buying consumer goods.

7.3. Descriptive Statistics

Descriptive and reliability statistics reveals the respondents perception towards Labelling, Packing, Brand Image and Behaviour of consumers buying FMCG products.

Table 3: Labelling Perception (Descriptive)

Items	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Wtd. Mean
Colour Attraction in the Label	9	11	60	18	82	3.85
	5.00%	6.11%	33.33%	10.00%	45.56%	(1.212) (I)
Appealing design of the Label	21	7	37	53	62	3.71
	11.67%	3.89%	20.56%	29.44%	34.44%	(1.297) (II)
Desired language / sign language easy to understand	15	20	45	39	61	3.62
	8.33%	11.11%	25.00%	21.67%	33.89%	(1.283) (III)
Reliability Statistics	Cronbach's Alpha=0.669					

It is observed that majority of the respondents have strong level of agreement towards Labelling perception influencing their buying behaviour in which 1st rank achieved by colour attraction in the label (M=3.85, SD=1.212), followed by appealing design of the label (M=3.71, SD=1.297) and third towards the Desired language / sign language easy to understand (M=3.62, SD=1.283). Cronbach's alpha found moderate (0.669) reliability level.

Table 4: Packing Perception (Descriptive)

Items	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Shape of the packed product	25	16	53	37	49	3.38
	13.89%	8.89%	29.44%	20.56%	27.22%	(1.342) (I)
Outer Texture of the packing	27	22	38	57	36	3.29
	15.00%	12.22%	21.11%	31.67%	20.00%	(1.327) (II)
Overall appearance of the packing	39	15	47	39	40	3.14
	21.67%	8.33%	26.11%	21.67%	22.22%	(1.430) (III)
Reliability Statistics	Cronbach's Alpha=0.805					

It is clear that most of the respondents have strong level of agreement towards Packing perception influencing their buying behaviour in which 1st rank achieved by Shape of the packed product (M=3.38, SD=1.342), followed by Outer Texture of the packing (M=3.29, SD=1.327) and third towards the Overall appearance of the packing (M=3.14, SD=1.430). Cronbach's alpha found high (0.805) reliability level.

Table 5: Perception on Brand Image (Descriptive)

Items	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Benefits the brand is offering	8	26	56	47	43	3.51 (1.136) (I)
	4.44%	14.44%	31.11%	26.11%	23.89%	
Differentiating from other competing brands	5	44	50	47	34	3.34 (1.124) (III)
	2.78%	24.44%	27.78%	26.11%	18.89%	
Value of the brand and its overall performance	17	33	36	54	40	3.37 (1.273) (II)
	9.44%	18.33%	20.00%	30.00%	22.22%	
Reliability Statistics	Cronbach's Alpha=0.705					

It is evident that maximum of the respondents have strong level of agreement towards Brand Image influencing their buying behaviour in which 1st rank achieved by Benefits the brand is offering (M=3.51, SD=1.136), followed by Value of the brand and its overall performance (M=3.37, SD=1.273) and third towards the Differentiating from other competing brands (M=3.34, SD=1.124). Cronbach's alpha found good (0.705) reliability level.

Table 6: Opinion on Buying Behaviour (Descriptive)

Items	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Packing and design Effects the buying process	23	26	64	41	26	3.12 (1.206) (III)
	12.78%	14.44%	35.56%	22.78%	14.44%	
Attractive colour and shape	16	25	58	48	33	3.32 (1.184) (II)
	8.89%	13.89%	32.22%	26.67%	18.33%	
Brand image and product familiarity	8	35	50	54	33	3.38 (1.125) (I)
	4.44%	19.44%	27.78%	30.00%	18.33%	
Reliability Statistics	Cronbach's Alpha=0.698					

It is evident that maximum of the respondents have strong level of agreement towards buying behaviour of FMCG products in which 1st rank achieved by Brand image and product familiarity (M=3.38, SD=1.125), followed by Attractive colour and shape (M=3.32, SD=1.184) and third towards the Packing and design Effects the buying process (M=3.12, SD=1.206). Cronbach's alpha found reasonable (0.698) reliability level.

7.4. Two-Way Table and Chi-Square Test: Frequency of Buying and Consumer Buying Behaviour

Further a comparison has been done to predict the consumers frequency of involvement in buying FMCG products and their perception on buying behaviour tabulated using Chi-square test.

Table 7: Frequency of Buying Consumer Goods and Buying Behaviour Index

Frequency of Buying Consumer Goods	Buying Behaviour			Total
	High	Moderate	Low	
Often	7	42	10	59
	24.1%	35.3%	31.2%	32.8%
Moderately frequent	16	49	7	72
	55.2%	41.2%	21.9%	40.0%
Less Frequent	6	28	15	49
	20.7%	23.5%	46.9%	27.2%
Total	29	119	32	180
Computed χ^2 value (df) Table Value	χ^2: 10.842 (4); Table value=9.488			
P-Value (Result)	0.028 (Significant @ 5% level)			

Buying behaviour index reveals consumers buying FMCG products in a moderate frequency recorded high (55.2%) level of perception and moderate (41.2%) level of perception whereas, low (46.9%) level of perception was observed among consumers who are less involved in buying FMCG products. Further, the association proved using chi-square test.

FRAMED HYPOTHESIS

Null Hypothesis (H_0):

There is no significant association between Frequency of Buying Consumer goods and Buying Behaviour of FMCG products

It is evident that the calculated value of chi-square is 10.842 with four degree of freedom (Table Value=9.488) proves statistically associated when comparing Frequency of buying consumer goods and Perception of Consumers on Buying Behaviour of FMCG products. Therefore, the declared null hypothesis proved false to reject H_0 .

8. SUMMARY OF RESULTS

8.1. Demography

- 37.8% of the consumers are in the age of 41 to 50 years. 32.8% belong to 31 to 40 years, 15% are above 50 years and 14.4% are in the age between 21 and 30 years. 59.4% consumers are male and 40.6% are female. 86.7% consumers are married and 13.3% are unmarried. 33.3% consumers fall in other educational categories, 31.1% are arts and science graduates, 25% completed upto school level (SSLC / H.Sc.) and 10.6% are engineering graduates. 33.9% consumers have other occupation, while 32.8% are working in private organisations, 26.7% are self-employed and 6.7% are working in public sector firms. 36.7% consumers having income between Rs.30001 and 40000 per month, 31.1% earning Rs.20001 to 30000, 20.6% are above Rs.40000 income category and 11.7% earn below Rs.20000 per month.

8.2. Buying Frequency

- 40% of the consumers are involved moderately frequent in buying FMCG products, 32.8% are often buying the products and 27.2% are less frequently buying the goods.

8.3. Descriptive Statistics

Labelling Perception

- Majority consumers perceived strongly towards Labelling influencing their buying behaviour in which 1st rank is for colour attraction in the label, followed by appealing design of the label and finally the Desired language / sign language easy to understand. Reliability achieved $\alpha=0.669$.

Packing Perception

- Strong level of agreement towards Packing perceived by consumers influencing their buying behaviour shows Shape of the packed product, followed by Outer Texture of the packing and finally Overall appearance of the packing. Reliability achieved $\alpha=0.805$.

Perception on Brand Image

- Maximum and strong agreement level for Brand Image perceived by consumers Effectsd their buying behaviour shows Benefits the brand is offering achieving first position, followed by Value of the brand and its overall performance and third differentiating from other competing brands. Reliability achieved $\alpha=0.805$.

Opinion on Buying Behaviour

- Most consumers had strong agreement level influencing their buying behaviour of FMCG products shows 1st rank for Brand image and product familiarity, followed by Attractive colour and shape and third towards the Packing and design Effects the buying process. Reliability achieved $\alpha=0.805$.

8.4. Two-Way Table and Chi-Square Test: Frequency of Buying and Consumer Buying Behaviour

- Frequency of buying consumer goods and Perception of Consumers on Buying Behaviour of FMCG products achieved statically significant association ensuring to reject the H_0 .

9. SUGGESTIONS

- Considering the colour, graphical information and design of the label shall be made clear and visible for consumers to understand the content present in the package. Likewise, it is important for brand managers to notice and ensure not only the shape and size of the pack, but also the quality of the packing which are the important aspects that shall increase the image of a brand subsequently consumer buying behaviour.

10. CONCLUSION

- 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. 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. To sum-up, packing and labelling together have significant impact to identify brands that have resultant consequences leading to buying behaviour. Therefore, further attempt can be made comparing all four constructs in which packing and labelling can act as exogenous constructs have impact brand image which shall be a mediator predicting buying behaviour.

11. REFERENCES

- Bed Nath S(2008), new consumer products branding, packaging and labeling in Nepal, the Journal of Nepalese business studies, Vol. V No. 1.
- Calves P.G, Ricardo (2008), “Product Characteristics and Quality Perception”, University at Autonoma de Barcelona, Munich Personal RePEc Archive, 11142.
- Rashid S, Rab N.L, Rauf A, Rana M.I, Zahid M and Moeed A (2013), “Impact of Labelling on Customer Buying Behavior in Sahiwal, Pakistan” , World Applied Sciences Journal, 24 (9), 1250-1254.

