

# What is the impact of attractive packaging on impulse purchase decision?

[Business](#), [Company](#)



## Introduction

The most fascinating concept of marketing is to discover the understanding of the reasoning of buyers: what they do and what they don't do! But such knowledge is imperative in designing the marketing program to enhance sale and market share. With up to date information about buyer's buying behaviour along with her needs and wants, marketer can recreate product or services just to draw her attention. And once they get the buyer's attention, they can influence buyer's purchase decision positively and end up by satisfying with their product or services. Therefore the whole concept starts with the search of information about the factors influencing buying decision. Marketers have always pursued to design their marketing effort they believe will entice buyers.

' Impulse purchase decision' can be termed as unplanned buying and is a crucial aspect of buying behaviour, especially when talking about FMCG sector. Marketer put a whole lot of effort to grasp the buyer's attention and win them resulting in a sale whereas the buyer never intended to buy that particular product or service. In this research I will try to find the connection between attractive packaging of a product in influencing impulse purchase.

### **Purpose:**

The basic purpose of this research is to provide information to assist in research to gain knowledge and to understand the problems. Taking this point into consideration, this investigation will be an exploratory research, with the aim to test relationship between ' attractive' packaging and influencing buyers on impulse purchase in a retail convenience store. The

research intends to examine if attractive packaging can attract buyer's attention compared to 'not so attractive' packs. The research not only targets the issue but can lead to understand and add-on to the best practice available in the retail industry. I hope that this research may have a significant value in assisting managers in retail business to identify profitably stocking of right kind of products & goods. Moreover, my research findings may strengthen the understanding of retail managers on how to organize and display the products effectively and increase the flow of traffic and consequently achieve success in sales, services and marketing sectors. Key factors to be considered and explored in this research mainly relate to components like: packaging, consumer behaviour, layout and shelving, impulse purchasing and customer satisfaction.

### **Research questions:**

The impulse buying behaviour of consumer has led many marketers to come up with new and innovative techniques to allure to their product. This research focuses on one of the major issue out of many in encouraging and stimulating impulse purchase: attractive packaging of the product.

Therefore, the research question is formulated as follows:

What is the relationship between Attractive Packaging and In-store Impulse Purchase Behaviour?

### **Aim and Objectives of Dissertation:**

The main aim of this research is to examine the relationship between consumer buying behaviour during the presence of 'attractive' packaging in

an impulse purchasing situation. The study will be limited to FMCG in retail stores.

The specific objectives of this study are:

To rationalize whether 'attractive' packs prompts impulse purchase.

To determine whether the stocking 'attractive' packs increases demand for the brand.

To investigate whether stocking 'attractive' packs results in increase of aesthetic beauty of the store.

To explore selling 'attractive' packs results in increase in the volume of sales.

### **Scope:**

This research topic will heavily focus on identifying the different aspects of packaging and factors associated in impulse buying decision and exploring how marketers capitalises on those aspects in formulating the marketing campaign to grab its market share. Just to keep everything relatively simple, I will be focusing only on FMCGs in retail stores.

### **Conceptual Underpinnings and Literature Review:**

Why do people shop? How do situational factors prompt the decision to purchase certain items? The act of purchase is affected by many factors: mood, time pressures, or even a person's disposition towards shopping. Time can be seen, as an important factor because it often determines how much effort and search a consumer will put into making a purchasing decision. A person's mood can be affected by the degree of pleasure or arousal that is

present in the store's atmosphere. Most people tend to base a purchase decision towards a specific occasion; or even the way an individual may feel at a specific point in time can also play a big role in what we feel like purchasing. These factors may cause one to decide more carefully on a purchase. Marketers like to use segmentation strategies when advertising to let buyers know their product will meet a specific need one may be looking towards. Overall, many consumers' purchase decisions are greatly affected by groups or social settings.

In an attempt to understand how 'attractive' packs influences affect impulse purchasing behaviours, researchers looked at several different approaches to study consumer behaviour.

In order to grab buyer's attention, marketers are continuously coming up with new products. Every now and then they are adding new features to their existing product. In the battle of 'value' addition and given the competitive nature of market, marketing professionals are leaving no stones unturned to be ahead in the race. They explore every avenue of the market in discovering new ideas in positioning their products in consumers' mind.

Marketers take every opportunity to communicate with their potential target audience. There are whole lot of tools in use in marketing communication. Only the integrated approach to this communication can bring success. A very good quality product or service alone is not enough to be successful in the market. Potential buyers has to be informed about its positive features and attributes, otherwise it will keep on lying on the shelves and eventually

phase out. Therefore, it is imperative that target audience are to be well informed about the existing products and services.

Marketing professionals are taught how '4Ps' are critical whether they are launching, maintaining or restaging a product. What about the role of the package in marketing mix? Anyone who is marketing a product whose contents require a container must factor in the role that packaging plays. One could argue that packaging is one of the most critical factors contributing to a brand's success, so much that it should become the 'fifth P'. After all, the life cycle of the package is longer than that of some of the other Ps. A typical package life cycle consists of development, filling, shipping, storage, shelf placement, shopping cart, home transportation, storage, usage and finally some kind of discarding (hopefully recycling). Any one thing with such extensive life cycle should be given the highest of priorities (Stahlberg and Maila).

Buyers are overwhelmed with too many choices at their hand in a retail shop. This may create confusion and frustration; this surplus availability may lead many buyers to subdue themselves to familiar products. There is a lot to talk about influencing buyer's decision at a shopping environment. Among them, packaging plays a vital role and has a major inspirational effect in impulse purchase decision. Attractive packaging design can lure a potential buyer to the first moment of truth - the purchase decision.

Packaging is one such tool where the marketers can convey their message straight to its potential customers. For many brands the packaging leads the

way to a successful integral branding communication effort and establishing the brand image. Many academicians have agreed to the fact that for many products, sole form of advertising is via packaging. Therefore, marketers should allocate considerable resources in their marketing campaign which can make first and biggest impression for the product - the packaging (Stahlberg and Maila).

Hesse, Loesch, and Spies studied the effects of store characteristics on consumers' mood, their satisfaction, and purchasing behaviour. This study indicates the atmosphere of the store directly affected the mood of the consumer, which became a big factor in their purchasing behaviour. The results suggested customers in a pleasant store atmosphere are likely to spend more money on the products they liked. This effect was only due to the customer's mood during the time of purchase.

A study conducted by Susan Powell Mantel focused on analyzing the roles of "attribute-based processing" and "attitude-based processing" when analyzing consumer preference. According to the study, product attributes (qualities such as price, size, nutritional value, durability, etc.) are often compared disproportionately, i. e., one is the more focal subject of comparison, thus eliciting more consideration when the consumer decides which brand is the "best." The order of brand presentation in these cases is particularly important.

As we know, factors affecting how customers make decisions are extremely complex. Buyer behaviour is deeply rooted in psychology with dashes

of sociology thrown in just to make things more interesting. Since every person in the world is different, it is impossible to have simple rules that explain how buying decisions are made.

To understand consumer behaviour, marketers examine purchase decision processes, especially any particular triggers that compel consumers to buy a certain product. The continuous pressure from environmental activists, drastic changes in government legislations and popularity of self-check-out machines - all are putting extra pressure to marketers to come up with extra-ordinary packaging design so that the buyers are enticed towards it. Today, packaging is acting as a 'silent sales person' helping buyers in highlighting their product's USPs (unique selling propositions / unique benefits). Good packaging can also be a competitive advantage for the company, strengthening the brand image (Smith and Taylor).

### **The three basic function of packaging**

The three basic function of packaging is to protect (and contain), offer convenience, and communicate (Smith and Taylor). There is nothing as ultimate package design to the marketers. With the continuous development in the technology, there will be always a new and convenient packaging in the offer. There is hardly any successful product which did not alter itself into new packaging with time. Nowadays cheaper and suitable packaging is available which is more appealing to consumers than ever before. Successful & cost effective packaging can itself be a competitive advantage over its rivals.



There are several evidences to prove that powerful role packaging can play in building and reinforcing brand image of a company. In short, packaging can be termed as brand awareness and brand attitude - a key communication tool (Larry Percy).

## **Impact of packaging on impulsive buying**

Packaging is a crucial component of any marketing strategy for goods. In recent times, the importance of good packaging as means of branding and marketing has seen a rapid growth, especially when it comes to fast moving consumer goods. Visual elements such as the colour, the quality and the overall attractiveness play a major role in influencing the customer. The visual elements connote the product for many customers in situations where they have low information or when they are hard pressed for time. In such cases, the consumer totally relies on the recall value of the packaging and makes the decision in an impulsive manner. The big challenge that a marketer in today's world faces is to translate the attraction from the packaging to a purchasing decision.

According to the research conducted in Spain by Ampeuero and Vila (2006), the aspects mentioned below influence the way in which a consumer perceives a product.

Colour: It has been noted that the products that are a little high end or elite appeal to the consumer more when they are packaged in a cold and dark colour packaging. On the other hand, the products that are generally easily accessible to the consumers and that are targeted at the consumers who are

price sensitive come in light coloured packaging. Consumer also start associating specific brands with the colour and this again influences their decision to make the purchase.

**Packaging typography:** The typography on the product also influences the customer. For the products that signify elegance and style, the font is usually bold, large and in uppercase. The numbers used belong to Roman numerology and the characters are wide and expanded. On the other hand, the products that come reasonably priced have small fonts and come with serif and sans serif fonts.

**Graphic forms:** Consumers generally associate the high price product with vertical lines, straight lines, clear outlines and symmetry based on one single element. On the other hand, the products that are more accessible often use horizontal lines, hazy and unclear outlines, circles and curves and asymmetrical elements.

**Illustrations:** With regards to the illustration, the products that are costlier and appeal more to the upper class come with pictures showing the product. However, the products that appeal more to the middle class and are relatively less expensive, usually come in packaging that are more associated where the illustrations are in the form of people.

The influence of the attractive packaging of a product has on the impulsive purchasing behaviour of the consumer has been discussed in detail in an earlier section. Along with an attractive packaging, it is also necessary to mention the price of the product on the packaging. The packaging can

attract a consumer to the product but the final decision to purchase the product rests on the price of the product in many cases. According to Underwood (2003), the unmarked packages, (packages that are not marked with price), the type of colour used, the shape of the packaging, the graphics used help the customers determine if the product is of low quality and these products come at a lower price. If the packaging is attractive and the product is marked with the price, then there is a perception among the consumers that the product is of a higher quality.

### **Research Design (including methods) or Critical Approach:**

The question under discussion is related to consumer's buying behaviour towards the attractive packaging. The research design would be based on survey to collect the primary data. The secondary data would be collected from the books, journals and online resources. Survey based on questions and having their response, will give me first-hand experience of their buying behaviour.

The first stage of this research would be to devise a sample questionnaire, which will hold little demographic information and particularly their views on the research question being analysed. Then a pilot study would be conducted to alter the questionnaire if it is not covering the purpose.

This research will conduct 150 questionnaires and at least 120, if not more, feedback will be selected as the sample in this study. The researcher would be applying non-probability sampling method because of the time and

budget constraint and as this method consumes less time and efforts than other methods.

The questionnaire will be distributed and surveyed inside five newsagent retail shops around East London and the survey will be conducted during four weeks in order to capture various types of respondents.

After the data collection and its editing and coding, statistical tools would be used to test the hypotheses and to assess the characteristics of the data. As the study is to see the relationship, 'Correlation Analyses' will be used to demonstrate the strength and the direction of the relationship.

After the analyses the researcher will than provide data analyses in descriptive statistics in the form of frequency tables, with the data also verified for normality. Also, with inferential statistic where the hypotheses based on dependent and independent variables were tested

## **Outline of Chapters for the Dissertation**

Chapter 1- Introduction: This chapter will provide a brief background and rationale for the conduction of this research. It also contains the research aims and objectives.

Chapter 2- Literature Review: this chapter will contain a critical review of the available literature on the subject of impulsive purchase behaviour and packaging and will also discuss the various theories and empirical work already undertaken in the field.

Chapter 3- Research Methodology: This chapter will contain the discussion on the research philosophy and approach and details the research design. The chapter highlights the utility and appropriateness of using the selected sampling and data collection and analysis methods and approaches.

Chapter 4- Findings and Analysis: This chapter will contain the presentation and discussion of the findings from the primary research and explicitly gives the results of the surveyed questions.

Chapter 5- Conclusions: This chapter contains the results of the surveyed questions and will discuss the implications of the research results for the marketers. It will also include a discussion on future research scope. Finally, this chapter will conclude with the reflective remarks of the dissertation the researcher experienced, critically analyzing and evaluating the whole learning process.

### **Ethical Issues:**

The research is purely based on literature review and questionnaire, where the confidentiality is kept at high importance. The sample questionnaire will not include any personal information like name, telephone or address. It will hold little demographic information and most particularly of their buying habit. The data collected will be stored in a safe place till the end of the analysis and will be destroyed after the evaluation and final assessment.

It requires no ethical clearance from any external body.

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