Impact of Packaging on Consumer's Buying Behavior

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Abstract

The surge in health concerns and limited access to clean water has given rise to a flourishing packaged drinking water industry, generating an estimated annual turnover of INR 32,000,000 as of February 2021. The Trade Promotion Council of India has reported that the Indian packaged drinking water bottle market was worth \$24 billion in 2019, with an anticipated growth to \$60 billion by 2023. As water is simply H2O, packaging has become the key distinguishing factor among brands competing on similar price points.

As consumers increasingly seek convenience and value for their money, packaging has become a crucial element in influencing their purchasing decisions. The more attractive and user-friendly the packaging, the more likely consumers are to choose the product. A visually appealing and unique package can even provoke impulse purchases, leading to increased sales, and customer loyalty. This study seeks to investigate the vital role that packaging plays in the bottled water industry, and how firms can leverage it to increase their market share, and establish a loyal customer base. As consumer lifestyles and preferences continue to evolve, packaging will remain a critical factor in driving purchasing decisions. By recognizing the value of packaging in boosting sales and reducing promotional costs, firms can better position themselves to succeed in this dynamic industry.

Packaging for mineral water has become a make-or-break component in the consumer goods industry, as it greatly influences product success. In today's fast-paced world, consumers demand

products that are visually appealing, easy to use, and provide value for their money. Effective packaging design can deliver these attributes and leave a long-lasting impression on consumers.

Keywords: Clean water, Drinking Water, Consumer branding, FMCG

- Consumer purchasing behavior refers to the series of actions individuals undertake
 in order to search for, choose, obtain, utilize, and discard goods and services that fulfill
 their desires and requirements.
- Packaging is an external aspect of the product and can be simply defined as the receptacle in which the product is contained.

1. Introduction

- Packaging is always an essential component of the consumer goods industry. It is a
 key element that determines the success or failure of the product. Consumers are often
 attracted towards visually appealing products. Packaging plays a vital role in delivering
 the main attribute to the consumers. Effective packaging design can enhance the overall appeal of a product and create an everlasting image in consumer's minds.
- The report highlights the growing importance of packaging in sales promotion and its impact on consumer behavior. With over 70% of purchase decisions made at the point of sale, packaging has become a crucial element in distinguishing a brand from its competitors. As a result, marketers are investing significant resources into developing packaging that attracts consumers and encourages them to buy the product. Packaging has evolved from being just a protective covering for the product to becoming an ultimate selling proposition that stimulates impulsive buying behavior, increases market share, and reduces promotional costs. It is being used as a tool for sales promotion more than ever before, leveraging its ability to grab the attention of potential consumers, and create a lasting impression.
- The report also notes that the mineral water market is experiencing significant growth, primarily due to consumers' lack of trust in public water service facilities and the growing mobility of people across the country. Mineral water is regarded as the safest option available for those on the go, and the sector represents the fastest-growing business in the beverage industry. This provides excellent opportunities for water treatment professionals to offer a new service that is in high demand.
- However, the intensifying competition in the market underscores the importance of
 providing exceptional products and services to meet the growing demands of consumers. Packaging can play a crucial role in this regard by creating a positive image of the
 product and the brand, providing product information, and conveying a sense of quality and safety.

• In conclusion, the changing role of packaging in sales promotion and its impact on consumer behavior cannot be overstated. With consumers making purchase decisions at the point of sale, packaging has become a critical tool for marketers to distinguish their brands from competitors and stimulate impulsive buying behavior. In the mineral water market, packaging can play a crucial role in creating a positive image of the product and the brand and meeting the growing demands of consumers.

2. Literature Review

Packaging is a crucial element in establishing a brand's identity and differentiating it from its competitors. In the case of packaged water, where the product itself is identical, packaging is the primary means of establishing a brand's identity, and creating differentiation in the market. The packaging design can significantly influence consumer perceptions of the product, such as its quality, value, and overall appeal. Another study conducted by Vodounou and Kokouvi (2020) found that packaging material also plays a vital role in consumer behavior. The study found that consumers tend to prefer PET (polyethylene terephthalate) bottles over glass or aluminum packaging. PET bottles are perceived as more convenient, lightweight, and easy to handle than glass or aluminum packaging. Moreover, PET bottles are also perceived to be more environmentally friendly, as they are recyclable.

A study by Rueda et al. (2019) examined the impact of sustainable packaging design on consumer purchase decisions in the packaged water industry. The study found that sustainable packaging design significantly influenced consumers' willingness to pay for packaged water.

A case study on Influence of Bottled Water Packaging Attributes on Consumers' Purchase Decision: Case study in Addis Ababa by YalewMamo (2018) stated that the influence of packaging on consumers' purchase decision is significant, with the package being one of the most valuable tools in marketing communications. Consumers pay attention to the design, shape, size, and printed information on the package when purchasing bottled water. The shape of the package has the highest influence on consumers' purchase decisions. However, while printed information is important, it has a weak positive correlation with the customers' purchase decision. Producers try to follow consumers' preferences on packaging attributes, but there is less creativity in their efforts. Further analysis is necessary to better understand the impact of packaging elements on consumer behavior.

According to a study conducted by Zhang and Ji (2016), packaging plays a crucial role in the consumer's decision-making process when purchasing bottled water. The study found that packaging design and labeling are two of the most significant factors that influence the consumer's perception of bottled water. Consumers tend to associate water packaged in transparent and clear containers with purity and freshness. On the other hand, opaque and colored packaging gives consumers a perception of low quality and low freshness. Similarly, a study by Chaudhuri and Majumdar (2016) found that sustainable packaging design significantly influenced consumer purchase decisions in the food and beverage industry.

A study conducted by Song and Kim (2015) examined the impact of packaging design on consumer perceptions of bottled water in South Korea. The study found that packaging design significantly influenced consumer perceptions of the product's quality, healthiness, and environmental friendliness.

A study conducted by Patra and Chauhan (2015) found that labeling and packaging information also influence the consumer's perception of bottled water. The study found that consumers tend to prefer water packaged with labels that provide information about the source of water, mineral content, and treatment process. Additionally, labeling information about the environmental impact of the packaging and its recyclability also influences the consumer's purchase decision.

In conclusion, packaging plays a significant role in the consumer's purchase decision of packaged water. Packaging design, labeling, and packaging material are important factors that influence the consumer's perception of the product. Understanding these factors and designing packaging that appeals to the consumer's preference can lead to increased sales and customer loyalty.

3. Research Objective

The purpose of this study is to establish clear research objectives that will guide the researcher in conducting the research effectively. Prior to commencing any research, it is essential for the researcher to define and identify the research goal or objective. A well-defined research objective is imperative for the smooth execution of the research project. The predetermined objective should be realistic, achievable, and within the specified timeframe and budget. It is essential to set achievable objectives to ensure that the study is completed efficiently and within the set time and cost constraints.

- To understand if packaging stimulates the consumer buying behavior in the packaged water industry.
- To identify the factors that drive consumer preference for specific packaging types, such as convenience, size, sustainability among others.
- To study the influence of various attributes on consumer purchase decisions in the packaged water industry.
- To identify packaging attributes that dominantly influence the purchase decision.

4. Data Collection

Primary Data Collection

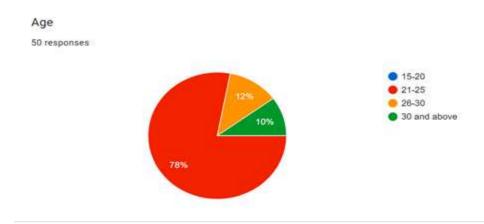
The data collection was primarily based on the surveys via questionnaires which were conducted using Google Forms to gather more in depth information and fulfill the research objective. There were 10 questions in the survey obtaining data for one variable: participants were approached with a research questionnaire. They were given sufficient time to study the questionnaire, ask questions, and obtain clarification, if necessary on issues associated

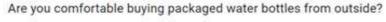
with the research and questionnaire before completion. Surveys conducted to analysis the understanding about the consumer behavior with respect to research topic.

• Secondary Data Collection

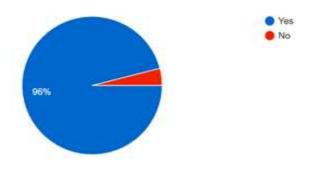
A literature review was conducted to provide a foundation for the research study and identify any gaps in existing research. This involved the extensive study of literature papers published before related to the research study to gather more insights and valuable outcomes.

5. Findings

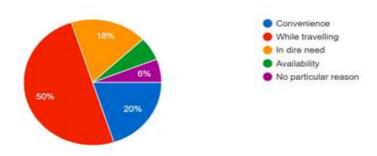




50 responses



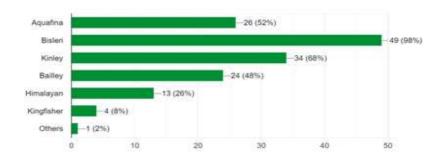
What is the main reason you buy packaged water bottles? 50 responses



What brand(s) of packaged water bottle do you often purchase?

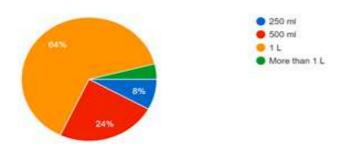


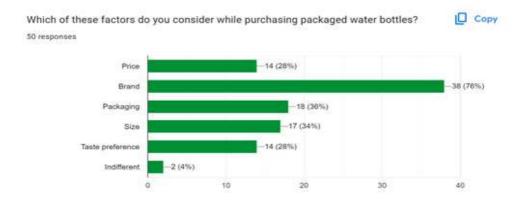
50 responses



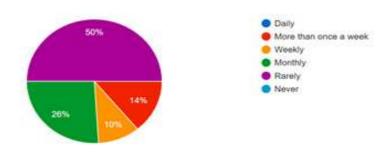
What size of packaged water bottle do you often purchase?

50 responses



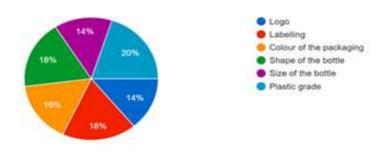


How often do you purchase packaged water bottles? 50 responses



What aspect of packaging attracts you the most?

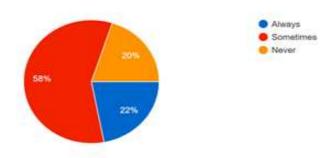
50 responses





Have you ever tried alternative options such as reusable water bottles or water filters instead of buying packaged water bottles?

50 responses



6. Data Interpretation

- The study was conducted in an age group of 15 to 30 and above with majority respondent in the age group of 21–25 years.
- The majority of respondent is comfortable of buying packaged water bottle from outside.
- The study also elaborates the reason of buying packaged water bottle, majorly the buying happened when the respondents used to travel and followed by the respondents who found it more convenient to carry.
- Through survey, it is more visible about the brand awareness in the market. Respondents are more brand conscious than the cost.
- Big brands like Bisleri, Kinley, and Aquafina are the top 3 choices of the majority of respondents.
- 1 Litre packaged drinking water is the first preference of the respondents, followed by a 500 ML bottle.

- Brand Image is a primary factor for consideration while buying followed by packaging and size.
- The frequency of buying packaged drinking water for the majority of the respondents rarely (nearly 50%) followed by monthly.
- Respondent get attracted towards different aspect of packaging but mostly they refer
 the quality of plastic used by the brands followed by shape of the bottle and labeling
 on the bottle.
- Respondent were also shown their environmental value by consider the impact of buying packaged water bottle.
- Through this survey, most of the respondent tried alternative options of reusing water bottle sometimes.

7. Limitations

The study under review is an investigation aimed at exploring certain aspects. However there were few limitations that may have restricted the study's scope, impact, and reliability. Therefore, the results of the study should be interpreted with caution and cannot be generalized to other populations. Future studies should consider these limitations and strive to overcome them to provide more accurate and representative insights into the population under investigation.

- **Small Sample Size** Another significant limitation of this study is the small sample size, which makes it difficult to draw accurate conclusions about the population. The study relied on a limited number of participants, which may not be sufficient to provide comprehensive insights into the population's characteristics. Consequently, the results of the study may not be reliable or representative of the population's true features.
- **Time Constraints** Finally, time constraints are another limitation that affected the study's outcome. Due to the time pressure, the researchers had to narrow the scope of their study, which may have resulted in limited findings. As a result, the study may not have been able to explore certain aspects of the population in depth, and the findings may not be as informative as they could have been if more time had been allotted for the study.

8. Conclusion

- We can see in our survey 98% of respondent are form age group of 21–25 years, mostly of the whole are either student or service holders. That means the young population and working professions are the main consumer segment for packaged water bottles.
- While conducting survey, 96% population are comfortable in buying packaged water bottles from outside rather than carrying their water bottles.
- About 50% respondent of the whole buys packaged water bottle only when they are traveling and other 20% buys because of the convenience to them.

- While making purchase decision, 98% of the users prefer Bisleri over 68% of users of Kinley, followed by 52% share of Aquafina in their buying behavior.
- While making purchase decision, 76% users buys because of brand image and packaging of the bottle. Which can predict that packaging is playing vital role into buying behavior of consumers.
- The duration of the buying of bottles seems very rare by the users in the survey. About 50% of the whole respondents buys bottles very rarely.
- Aspect of packaging attracts consumer the most, as per our survey 20% of the users
 consider plastic grade as a major factor in packaging, 18% of user consider it's the shape
 of the bottle affects their decision and other 18% of user attracts with the labelling of
 the bottles.
- About 48% of the user also predict their decision on environmental impact of buying bottles, while 58% users try to use different alternatives sometimes.

As most of the consumers purchase with brand name and packaging, companies can increase their sales by focusing on their packaging and labeling their product. If packaging can be associated with the brand value and brand image then the consumer awareness and product differentiation will be high which will lead to more sales (like coca cola shaped their bottles in a particular way to associate them with their brand).

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