

# “A STUDY ON MARKET RESPONSE TOWARDS PACKAGED FOOD PRODUCTS”

Prabhan Puzari, Ravindra singh Rajpurohit, Rajwadi Fenilkumar

Associate Head, Student, Student

Parul Institute of Management & Research (MBA), Parul University, Vadodara, Gujarat, India

## ABSTRACT

The purpose of this research was to identify how various package features influence customers' decisions to purchase. The goal of this study is to examine how different aspects of food packaging in Pakistan affect customers' decisions to make a purchase. Statistics were

Information was gathered through a questionnaire and then analysed using Confirmatory Factor Analysis and Structural Equation Modelling, with input from 300 participants. Graphics color, package size, shape, and product information of package material were proven to significantly influence customer purchasing decisions. The research found that the aspects of packaging that were analysed had an impact on the communication of product quality, which in turn influenced consumer decisions.

As a result of this research, it is suggested that food producers listen to customer feedback on their packaging and use that information to innovate on future versions of their products. A good way to do this is to get feedback from customers while the package is being developed.

**Keywords:** Product packaging, Buying behaviour.

## GENERAL INFORMATION

Product is a collection of physical and intangible products and services provided to a consumer for sale. An end result is anything an idea, a technique, some data, a service, or a physical product—that answers a question or grants a request. Customers are experts at discovering novel solutions that meet their wants and requirements. Attractiveness to the product, customer perception, and consumer preference all provide clear indicators of purchase behaviour.

The components of a product include its quality, its capacity to protect, its ability to meet customer needs, and its packaging. Consumers' interest is mostly piqued by the packaging. The term "packaging" is used to describe the product's container, which includes the product's design, color, form, labeling, and substance.

Product positioning relies heavily on the packaging it comes in. Most purchasing choices are made at the point of sale, and the packaging design may influence how customers feel about a product at that crucial moment.

It's no secret that today's business climate has become more cutthroat and volatile over the last several years. We live in a fascinatingly advanced and competitive marketing climate. The packaging of a product is something that every consumer encounters, and it has the power to captivate the vast majority of the intended audience. Hence, packaging is occasionally employed as the promotional \stool by the firms. It encourages impulsive purchasing behavior and minimizes marketing and advertisement expense of the goods in current marketing environment. Some marketers argue that packaging is even more effective than advertising in persuading customers to buy a product because it has a more direct bearing on the customer's impression of the product.

The "pack design are more likely to effect the customer impression of the brand," according to research.

Consumers' attention, image, and opinion of a product may all be influenced by the details of its packaging (Rundh,2016). Differentiating and adding value to items via their packaging is a certain way to get people to purchase more of them (Underwood, Klein & Burke,2001). Because of the limited availability of other channels, product packaging often serves as the primary means of conveying the brand's value proposition.

## INTRODUCTION OF THE STUDY

The purpose of market reaction models is to assist academics and business managers in better understanding how customers as individuals and as a group react to marketing operations, as well as how competitors interact

with one another. An enhanced foundation for improved decision making in marketing is provided by impacts that have been appropriately calculated.

The development of processing methods for prolonging food product shelf life is responsible for the growth of the packaged food goods industry. Moreover, changes in food consumption habits spurred on by an expanding global labor force drive market expansion.

The availability of packaged goods has expanded because to improvements in retail infrastructure, and this easier access to food products, together with choices for free home delivery and other promotional offers, has led to the expansion of the worldwide market for packaged food products. The market for packaged food items is also anticipated to benefit from specific consumer demands for things like organic food, health food ingredients, vegan cuisine, dairy-free foods, and others.

Consumer views about the harmful impacts of packaged products, on the other hand, severely limit expansion and constrain the worldwide market.

The Asia-Pacific packaged food products market is anticipated to provide significant potential prospects for industry investors by expanding at a CAGR of 6.93% during the study period, per the regional forecast.

## LITERATURE REVIEW

**Rita Kuykaite (2019)** discovered that packaging draws customers' attention to a certain brand, improves its reputation, and affects how they see the product. Moreover, packaging gives goods a special worth.

**(Underwood, Klein & Burke, 2016: Silayoi & Speece)** discovered packaging functions as a technique of distinction, i.e., assists customers in making a decision among a broad variety of comparable items and encourages consumer purchasing behavior. As a result, the package plays a significant part in marketing communication and might be considered one of the key variables affecting consumer product acquisition, making its components and their effects on consumer purchasing behavior crucial issues.

**Rita Kuykaite (2019)** also came to the conclusion that packaging could be considered one of the most valuable tools in today's marketing communication, necessitating a more in-depth analysis of its components. The impact of packaging on a consumer's purchase decision can be discovered by examining the significance of each component for the consumer's choice.

### **According to Alice Louw's (2016)**

The Power of Packaging, effective packaging may help a brand carve out a distinctive niche for itself in the market and in customers' thoughts.

## BACKGROUND OF THE STUDY

The packaged food products market will be driven by rising demand for ready-to-eat healthy food items over the forecasted time period. The market for packaged food items will be driven by an exponential rise in the number of working individuals and their busy schedules over the anticipated time period. Working people choose food items that can be produced quickly and with few ingredients owing to a lack of time. Due to this issue, demand has grown for foods that are ready to eat, including frozen foods, bakery goods, snacks, chocolates, and other goods. In addition, as a consequence of growing urbanization and a high urbanization rate, the market for packaged food items has grown favourably as a result of rising packaged food demand. In addition, customer demand for healthier food and beverage options will hasten industry expansion.

The desire for food items with natural ingredients and less preservatives has increased. The firms that produce packaged foods are increasingly concentrating on the creation of nutritious organic food items in order to guarantee this. For instance, Just in time, JOI, a UK-based firm, debuted its first waste-free plant milk product in April 2021. It has only one ingredient—oats from a sustainable source that are organic and gluten-free and packaged in a biodegradable pouch.

The market for packaged food items is also being pushed by customers' growing interest in sustainability and health. Consumers are becoming more choosy about the sources of protein they eat as a consequence of increased global consumer awareness of the food supply

chain and sustainability, which is driving up demand for packaged plant-based foods. Hence, it is anticipated that all of these factors and changes would have an impact on packaged food items.

**PROBLEM STATEMENT**

Food product packaging has developed into a crucial marketing strategy in recent years. Packaging also influences the consumer's expectations and impression of the goods, giving producers the chance to influence the consumer's choice to buy. Consideration of package elements has a significant influence on customer purchasing decisions. Local marketers will have difficulties as a result of this.

Lower sales will occur from packaging designs that are not particularly tailored for the target market's customers, and these designs will also affect the purchasing habits of consumers. To have a competitive edge over their foreign rivals in the business sector, local marketers need to understand how customer behaviour is influenced by creative packaging and product design.

**OBJECTIVES OF THE STUDY**

- The packaging's main function is to safeguard the contents from harm that could occur during handling, storage, and transportation.
- Throughout the whole logistical chain, from the producer to the final user, packaging keeps the goods in perfect condition.
- It shields the goods from moisture, light, heat, and other outside elements.

**HYPOTHESIS**

H0: There is a significant different between market response towards packaged food products

H1: There is no significant different between market response towards packaged food products

$$\chi^2 = \frac{(38-83)^2}{83} + \frac{(62-17)^2}{17} = 143.515$$

83 17

P-value = 1 - p(  $\chi^2(1) \leq 143.515$  ).

k	2	Number of categories
n	100	Sample size
$\chi^2$	143.515237	Chi square test statistic
DF	1	df = k-m-1 = 2-0-1 = 1
Phi effect ( $\Phi$ )	1.197978	$\Phi = \sqrt{\chi^2/n}$

**Fittingness, assuming a 2 (right-tailed) distribution (validation)**

**1. H0 hypothesis**

Since p-value <  $\alpha$ , H0 is rejected.

**2. P-value**

The p-value equals 0, (  $p(x \leq \chi^2) = 1$  ). It means that the chance of type I error (rejecting a correct H0) is small: 0 (0%).

The smaller the p-value the more it supports H1.

### 3. The statistics

The test statistic  $\chi^2$  equals 143.5152, which is not in the 95% region of acceptance:  $[-\infty; 3.8415]$ .

### 4. Effect size

The observed effect size phi is large, 1.2. This suggests that there is a significant disparity between the observed and expected data in terms of magnitude.

## RESEARCH METHODOLOGY

### DATA COLLECTION METHODS AND STUDY VARIABLES

#### Methods for data collection

Primary Information

Secondary Information

#### Primary Information

Primary data were gathered using a questionnaire.

#### Secondary Information

The logistical elements of Books Journals Magazines Online were used to collect secondary data.

#### Sampling

Convenient sampling is the sampling technique utilised for data collection. The convenience sampling method is not based on probability.

#### Sample size

The logistics reveal how many people need to be surveyed. Although big samples provide more trustworthy findings than small samples, owing to time and financial constraints,

### Analytical strategy

- Diagrams are shown using graphs and charts.
- After applying the appropriate statistical techniques, conclusions based on logistics will be drawn.
- Findings and recommendations will be provided to make the research more helpful.

## LIMITATIONS OF THE STUDY

- Inconsistency. Consumers rarely execute the same procedures in the same manner for every product and service purchase, which is one of the main disadvantages of depending too much on customer purchasing behavior. ...
- Lack of consistency; Low Buyer Interest. The fact that consumers don't consistently adhere to the same processes while making purchases is a significant drawback of relying just on this data.
- There are not many buyers who could be interested.
- society's and culture's impacts.
- Consequences of Stimulation
- Influences from society and culture.

## CONCLUSION/SUGGESTIONS

The purchasing behaviour of consumers is influenced by packaging aspects such as package artwork and, packaging size and shape, product information, and packaging material. According to the study's findings, packaging characteristics have a competitive advantage in terms of product quality and features. So, manufacturers cannot discount the value of packing as a marketing tool. It increases the appeal and visibility of the goods. The research also came to the conclusion that when consumers find a product appealing and distinctive, they tend to acquire it right away.

In order to avoid making assumptions, packaging options should be determined by first taking the preferences of the customer into account. The producers might use this data to generate new business plans and better product packaging. Manufacturers and customers may communicate and brand one another via packaging.

The study gaps were filled in terms of characteristics and customer purchasing patterns, particularly by tying all the factors to marketing, commercials, and packaging. This study attempts to provide equal weight to each of the aspects that relate to packaging characteristics by gathering them together in one location. The product packaging, which is towards the end of the "promotion chain" and near to the moment of the actual purchase, is crucial in forecasting customer behaviour.

## BIBLIOGRAPHY

- Blackett & Robbin, The Write Press Journal, 201, accessed at writepress.co.uk.
- Del I. Hawkins, Roger J. Best, Kenneth A. Coney, and A. Mukherjee are authors (2019). Tata McGraw-Hill, Consumer Behaviour.
- Food Labelling and Influences on Food Purchasing Behaviour, Paper Presented at the Road to 2050: Sustainability as a Business Opportunity, 21st Annual I FAMA International Conference and Symposium, Frankford Germany, June 20-23, 2021
- Jabir Ali, Sanjeev Kapoor, and Jana Kirman Moorthy, "Buying Behaviour of Consumers For Food Goods In An Developing Economy," British Food Journal, vol. 112, no. 2, pp. 109–124, 201
- K. Bhaskar, K. Kamaraj, and R. Arinzeh, "A research on fast food goods purchase behaviour of consumers' in Cuddlier area," Indian Streams Research Journal, Vol. 2, number 12, January 2018, [5].
- Kotler, P., and Gary Armstrong (2019). Prentice Hall of India's Principles of Marketing
- The relevance of package attributes: a conjoint analysis method, European Journal of Marketing, Vol. 41, No. 11/12, pp. 1495–1517, . Piny Sialoid and Mark Speech
- British Food Journal, Vol. 106, issue 8, pp. 607–628. Piny Sialoid and Mark Spence, "Packing and Buying Decisions: An Exploratory Research On The Impact Of Participation Level and Time Pressure,"
- Schiffman and Kanuk, Term Paper (200), accessed from www.studymode.com.
- Eva Svedberg (201). consumer opinions on food packaging's health claims. Contextual analysis with computer assistance [48 sentences]. Forum Qualitative Social Research, 3(1), Art. 10, available at <http://nbnresolving.de/urn:nbn:de:0114-fqs0201109>.
- Wheat Marketing and its Efficiency in India, Research and Publications Indian Institute of Management Ahmadabad, 2019, obtained from www.iimahd.ernet.in. Vasant. P. Gandhi and Abraham Koshy