

THE INFLUENCE OF PACKAGING ATTRIBUTES TOWARDS  
CONSUMER BUYING BEHAVIOR OF SOFT DRINKS  
IN SOUTHERN MALAYSIA

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The thesis is submitted in partial fulfillment of the requirements for the award of  
Bachelor of Technology Management (High Technology Marketing)

Faculty of Technology Management (High Technology Marketing)  
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JUNE 2015

## DECLARATION

“I admit that this report is the result of my own, except certain explanations and passages where every of it is cited with sources clearly.”

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## DEDICATION

I would like to dedicate the appreciation to my family members who supported me from spiritually and financially, beloved supervisor and panel who guided me throughout the research, housemates and course mates that assisted me through the journey of research.

## ACKNOWLEDGEMENT

I would like to take this opportunity to express my sincere appreciation to my supervisor Madam Azrina Binti Othman for her guidance and encouragement throughout journey completing this final year project. In addition, I would like to thank Dr. Norfaridatul Akmaliah Othman for her fruitful comments in my final year project construction.

Besides, I sincerely thanks to the researchers that did their research paper and uploaded online. Although the topic of paper was different, but the theory and knowledge provided were fruitful.

The appreciation is also extended to respondents whom spent time in answering my questionnaire. Last but not least, appreciation goes to those who involved either directly or indirectly towards this project. Hopefully, this report will be a reference to the others in the future.

## ABSTRACT

Packaging is often be one of the most important feature in attracting potential customer to product. Most shoppers will look at a product for less than ten seconds, so packaging needed to be designed well enough to convince them to buy your product in that short amount of time. For that reason, this study was conducted to investigate the influence of packaging attributes on soft drinks packaging in consumer buying behavior. The data were collected using questionnaires from 150 respondents in Southern Malaysia. The results of the analysis show that among all the packaging attributes, shape, size and graphics have significant impact on the consumer buying behavior of soft drinks in Southern Malaysia. There's thought-provoking when graphics, printed information and materials, were not significant in influencing the consumer buying behavior of soft drinks. The results of this study contributes exceptional judgment to marketers and beverage manufacturers in the Malaysian market.

**Keywords:** Packaging, consumer, buying decision, soft drinks, Malaysia

## **ABSTRAK**

*Pembungkusan merupakan salah satu ciri yang penting untuk menarik perhatian pelanggan. Kebanyakan pembeli akan melihat pada rak produk kurang daripada sepuluh saat, jadi pembungkusan produk perlu direka dengan baik untuk meyakinkan mereka supaya membeli produk tersebut dalam masa tersingkat. Oleh itu, kajian ini telah dijalankan untuk mengkaji elemen-elemen pembungkusan pada pembungkusan minuman ringan yang mempengaruhi perilaku pembelian oleh konsumen. Data kajian ini dikumpulkan melalui soal-selidik sebanyak 150 responden di Selatan Malaysia. Keputusan analisis menunjukkan bahawa di antara semua elemen pembungkusan, elemen, bentuk, saiz, dan grafik mempunyai kesan yang besar ke atas pembelian perilaku konsumen dalam minuman ringan di Selatan Malaysia. Manakala, pengkaji mendapati grafik, bahan-bahan dan informasi bercetak, tidak berperanan dalam mempengaruhi perilaku pembelian konsumen dalam minuman ringan. Keputusan kajian ini menyumbang pemahaman yang luar biasa kepada pemasar dan pengeluar minuman di pasaran Malaysia.*

**Kata Kunci:** *minuman ringan, pembelian, perilaku konsumen, elemen, Selatan Malaysia*



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## LIST OF ABBREVIATIONS

ABBREVIATION	MEANING
ANOVA	Analysis of Variance
CCB	Consumer Buying Behavior
C	Colors
G	Graphics
$H_0$	Null Hypothesis
$H_1$	Alternative Hypothesis
L	Liter
ml	Milli liter
M	Materials
RM	Ringgit Malaysia
SH	Shape
SPSS	Statistical Package for the Social Sciences
SZ	Size
PI	Printed Information



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## **CHAPTER 1**

### **INTRODUCTION**

#### **1.1 BACKGROUND OF STUDY**

The first packaging has been designed since a few thousand years ago and was in the form of baskets and containers (Meyers and Gerstman, 2005). In 19<sup>th</sup> century, where producers started to pre-package their goods, it was considered the beginning of modern packaging and it eventually became a trend to do this. After that, mass marketing was born in the United States which leads to a 'profit through volume' revolution thanks to mass-produced packaging (Twede, 2012). The emergence of a packaging industry has started by 1927 (Twede, 2012) but it was by 1995 that package design (also called packaging design) had become an effective tool for promoting corporate brands (Stewart, 2004)

For more than a decade, the oft-quoted statistic that consumers make 70% of brand decisions in the store boosted shopper marketing and made other advertising seem almost pointless.(POPAI, 1995) But an extensive new global study by OgivyAction indicates that consumers aren't nearly as fickle as the figure suggests-though they're still

plenty receptive to change their minds at the shelf. According to the study, 39.4percent number is the real number of consumers who wait until they're in a store before deciding what brand to buy. About 10 percent change their minds while in the store and 20 percent of consumers wind up making a purchase from a category that they didn't intend to buy from before walking into a store.(George, 2008) In other word, an attractive packaging of a product can be a powerful advantage in drawing consumer's attention and drive impulse purchases especially with the move to self-service retail format; packaging enhances its primary characteristics as "salesman on the shelf" at the point of sale (Pilditch, 1972;Silayoi and Speece, 2004)

Today, packaging design has developed into a communication tool and is considered as an important part of marketing. Meyers and Gerstman (2005) cited that the sixth 'P' of the marketing mix stands for packaging. In order to outstand among the competitive rivalry, packaging has become more and more important and being the point-of-purchase merchandising tool in the marketing mix. As it is used to communicate the brand's message and values, the design of the package enables the consumer to identify certain symbolic uniqueness that differentiate the product from competitors (Nickels and Jolson, 1977). The average time it takes for a product to be noticed on the supermarket shelf is around 1/17 of a second. Thus, it is least to say that a product must stand out quickly and be attracting enough for consumers to grab it (Kotler, 2008).

Soft drinks packaging market in Malaysia is predicted to continue to see strong growth with a 5% compound annual growth rate over the forecast period. The growth is supported by the continuing increase in the number of households and population in Malaysia over the forecast period. The increase in temperature caused by global warming should also support the consumption of soft drinks and the increase in the production of soft drinks in the future. In terms of packaging type, metal packaging and glass packaging will continue to dominate the packaging of soft drinks. (Euromonitor International's Packaged Food in Malaysia Market Report, 2014)

Researcher identified the huge potential of the packaged soft drinks in Malaysia and realized in such situation, innovation in packaging becomes a fundamental strategy for competitive success and survival within the market. An innovative packaging design can change product perception and create a new market position (Rundh, 2005). A good packaging design is regarded as an essential part of successful business practice. Therefore, the effectiveness of package in a buying place the researches of package, its attributes and their impact on consumer's buying behavior became relevant relation.

## **1.2 PROBLEM STATEMENTS**

Gershman (1987) summarizes packaging with three expressions: packaging is the least expensive form of advertising; every package is a five-second commercial; and the package itself is the product. However, there is no agreement on classifications of packaging attributes as well as the research methods used to determine the packaging's impact on consumer buying behavior. (Kuvykaite et al., 2009) In addition, the previous researches did not provide common answer regarding the impact of packaging attributes on consumer's purchase behavior (Kuvykaite et al, 2009; Madden, Hewett and Roth, 2000; Vila and Ampuero, 2007). For that reason, it is necessary for researcher to look into this issue in more detail as to identify which attributes of a packaging having the most influence upon the consumer's buying behavior. Therefore, this study seeks to examine the impact of packaging attributes on consumer's buying behavior of packaged soft drinks where such study in Malaysia is still lack of.

### **1.3 RESEARCH OBJECTIVES**

The role of packaging is getting vital as a marketing tool for packaged soft drinks. It is essential for marketers to study more on packaging and its attributes in detail to gain better understanding of which attribute is the most important factor influence the consumer's buying behavior. The objectives of this research are as follow:

1. To determine the packaging attributes on consumer buying behavior towards packaged soft drinks.
2. To analyze the relationship between packaging attributes and consumer buying behavior when making buying decision of packaged soft drinks.
3. To investigate the most influencing packaging attributes towards consumer buying behavior of soft drinks.

### **1.4 RESEARCH QUESTIONS**

The question intended to be answered in this study are based on the research objectives:

1. What are the packaging attributes influence the buying behavior of packaged soft drinks?
2. Is there relationship between packaging attributes and consumer buying behavior when making buying decision of packaged soft drinks?
3. Which is the most influential packaging attribute towards consumer buying behavior of soft drinks?

## 1.5 SCOPE OF LIMITATIONS OF STUDY

The research only focus on packaging attributes factors that affect consumer behavior of soft drinks.

The limitations of this research are time limitations and geographical factor. This research is given insufficient time to finish conducting the data collection. In addition, this research is going to conduct in Johor, Negeri Sembilan and Melaka area of Malaysia only. Therefore, the data collection for this research will be limited and the data are only applicable only to particular research area.

Respondents may lie due to social desirability. Most people would like to present a positive image of them and so may lie or bend the truth to look good, e.g. pupils would exaggerate revision duration. (McLeod, S.A., 2014)

The limitation of research also happens in accessing secondary information. Some journals and reports online required paying in advance in order to read.

Lastly, the limitation was language problem where the questionnaire was only designed in English version. This method has caused some time delay and confusion as some respondents unfamiliar with the meaning of the questions. Therefore, researcher needed to take time and explain the statement one by one using Malay language or in Mandarin language.

## **1.6 IMPORTANCE OF RESEARCH**

Physical products must be packaged and labeled. Well-designed packages can create convenience value for customers and promotional value for producers. (Kotler, 2012) To achieve the communication goals effectively and to maximize the uniqueness of the packaging in a buying place, marketers must recognize the attributes of a packaging and their impact on consumer's buying behavior follow by integrate these attributes into their packaging design. This study is important since majority of the previous packaging studies were not locally-based (not Malaysia-based), and different country have different consumer behavior, culture; the response of the study able to reflect the Malaysian buying behavior. In other words, the results of this study will provide a new insight to the local marketers towards the impact of packaging attributes on consumer's buying behavior of packaged soft drinks.

## **1.7 SUMMARY**

This chapter is structures as the introduction of whole research. It introduces the topic of the study including the background, the problem statements, the research questions and research objectives, scope of limitation of study as well as importance of research.

## **CHAPTER 2**

### **LITERATURE REVIEW**

#### **2.1 INTRODUCTION**

In this chapter, researcher discussed relevant theories that used as secondary data. It began by introducing basic function of packaging in marketing mix; from there researcher got into packaging as a discipline and then looks into attributes that make up packaging designs. Those literatures on the influence of packaging attributes towards consumer buying behavior are reviewed and the theoretical framework showed the relationships between these variables were presented too. In addition, the hypothesis formulated and specified at the end of this chapter. For more insight to understand with the topic of research, this chapters were organized in subtopics. In section 2.2, the overview of packaging is described. In section 2.3 briefed about the terms of packaging. Section 2.4 discussed the factors contributed to the growing use of packaging as a marketing tool. Section 2.5 explained the functions and objectives of packaging and section 2.6 showed how it linked to consumer buying behavior. Section 2.7 discussed the packaging and its attributes followed by theoretical framework presented in section 2.8. Literature review continued by hypothesis generated. Last but not least, summary for the overall of chapter two was presented in section 2.9. This chapter was concluded with a restatement of the problem and the rationale for the need this research project.