

I hereby confirm that I have examined this project paper entitled:


Innovate Packaging Design To Enhance the Performance towards Global Market at
Bumiputra SMEs Food Company

By

Nurul Fatiehah Binti Hamsani

I hereby acknowledge that this project has been accepted as part fulfillment for the
Bachelor of Technology Management (Innovation Technology) with Honours

Signature : 
Supervisor : DR. FARARISHAH BINTI ABDUL KHALID
~~DR. FARARISHAH BINTI ABDUL KHALID~~
~~Kata Jabatan: Penceramah~~
Date :
Fakulti Pengurusan Teknologi Dan Teknosahawanan
Universiti Teknikal Malaysia Melaka

Signature : 
Panel : DR. NORHIDAYAH BINTI MOHAMAD
Date : 21/6/16

INNOVATIVE PACKAGING DESIGN TO ENHANCE THE PERFORMANCE
TOWARD GLOBAL MARKET AT BUMIPUTRA SME'S FOOD COMPANY

NURUL FATIEHAH BINTI HAMSANI

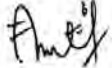
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Universiti Teknikal Malaysia Melaka

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DECLARATION

“I declare that this thesis is my own work except the citation and excerpts of each of which I have mentioned in the references.”

Signature : 
Name : NURUL FATIEHAH BINTI HAMSANI
Date : 21/6/2016

DEDICATION

This Final Year Project is dedicated to my parents for their loves, endless support, encouragement, attention and prayers.

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All praise are due to Allah S.W.T who had given blessing, strength, and knowledge in finishing this research entitled 'Innovative Packaging Design To Enhance The Performance Toward Global Market At Bumiputra Sme's Food Company' Slawat and salam also propose to the Prophet Muhamad SAW, the Uswatun Hasanah for all Moslems.

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ABSTRACT

Packaging design is the main important things that can give the bad or good impression towards customer attraction especially food packaging industry. This is because people will more catch on the product with the colourful design, clearly information and easy to pronouns the brand. So this study will to investigate the packaging components which is colour, typography and re-branding that can attract the customer to purchase the food product. Through this study, the authors have conducted interview with the person in management of selected company in Small Medium Enterprise (SMEs) from food industry. Through interviews, the author asked question related to the issue of how to increase the performance of company and bring the product to global market. This study can acknowledge the company which element is more powerful in term of packaging design and do an innovation toward the element correctly to improve the performance of Small Medium Enterprise (SMEs) in food industry.

ABSTRAK

Reka bentuk pembungkusan adalah perkara-perkara utama yang penting yang boleh memberi gambaran buruk atau baik ke arah tarikan pelanggan terutamanya industri pembungkusan makanan. Ini adalah kerana orang akan lebih menangkap produk dengan reka bentuk yang berwarna-warni, dengan jelas maklumat dan mudah untuk jenama. Jadi kajian ini akan menyiasat komponen pembungkusan yang merupakan warna , tipografi dan penjenamaan semula yang boleh menarik pelanggan untuk membeli produk makanan. Melalui kajian ini , penulis telah menjalankan temu bual dengan orang yang dalam pengurusan syarikat yang dipilih di industri kecil dan sederhana (IKS) dari industri makanan. Melalui temubual , penyelidik menemuramah dan bertanya soalan yang berkaitan dengan isu bagaimana untuk meningkatkan prestasi syarikat dan membawa produk ke pasaran global. Kajian ini boleh mengakui syarikat yang unsur yang lebih kuat dari segi reka bentuk pembungkusan dan melakukan inovasi ke arah unsur dengan betul untuk meningkatkan prestasi Industri kecil dan sederhana dalam industri makanan.

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CHAPTER 1

INTRODUCTION

1.1 Background of the study

Food packaging is the most important component to attract the customer in purchasing product. Creative packaging can grab more customers' intention in purchasing product. Functions of packaging are to protect the food from outside environment, for easily carried everywhere, to display important information about the food inside such as name of the product, nutrient content, ingredient, safe preservative use, name of company and expired date. Packaging also allows for consumer to enjoy food the way they want, conveniently.

The average consumer is faced with the numerous decisions when just about any store or environment, whether it is a supermarket or other channels. According to *The Marketer's Guide to Successful Package Design*, more than thirty thousand different products are available and the number continues to grow daily. With a variety of new product and brand, along with all different features they have, it would seem as if confusing the customer was the goal of packaging. Thus, it is this consumer confusion that a well designed packaging avoids (Meyers, Lubliner).

Almost every business whether small, medium or big has a trading name. The customers know the existence of a product in the market through the product's name or logo. The more creative brand name, the more people will be attracted to buy the product. Andrew Bradley, a partner at the advertising agency Bradley, McGurk Partnership, believe that 'the role of branding in relation to SME is firstly to communicate the personality of the business and to build on that' (The Post, 2005).

Nowadays, Bumiputra SME'S Food Industry has face problem that their product not display in good packaging and the tendency to attract customer purchase their product is low. According to the phrases by Temporal in books is 'Developing an Asian Brand is not easy. Poor image of 'Made in Asia' coupled with small domestic markets, have been the source of problematic business growth for many Asian companies' (Branding in Asia, 2000, p. Foreword)

Currently, consumers are offered with many choices and they expect the product Bumiputra SME's will come out with new packaging design and label information. This should alert the manufacturers to re branding and improve their packaging in order to meet customers' demand as well as to enhance the performance of the company. Innovation in new product is important factors for improving efficiency and effectiveness (Noorani&Setty, 2007). Packaging is one of the most important techniques to increase the success in performance business strategies. Packaging plays a key role in products characteristic (Olsson et al., 2004).

Thus, Small and Medium sized Enterprises (SMEs) play extremely essential role in the quick changing and increasingly competitive global market with a significant contribute on the economies of many countries in the course of their ability to innovate technological innovation (Zhu et al., 2006) cited in Xie et al.,(2010).

The researcher will research on the element of branding (brand name), the color and the typography of the packaging for the product of Bumiputra's SMEs is intended that the all element component have a positive effect and positive impact for the global market. In conclusion, the entrepreneurs' SMEs have to emulate that the local partner of the categories that have become a global player.

1.2 Problem Statement

A problem statement is basically a statement that illustrates a clear vision and the purpose of this research that the researcher tries to explore and solve the problem by using research method. Additionally, this research will also determine the stronger factors that give a big impact to enhancing the performance on Small Medium Enterprise (SMEs) Foods Company in Melaka.

According to The Malaysian Insider, Deputy Minister Hamim Samuri says that ‘SMEs product that faced problems to sell at hypermarket is mostly foodstuff’. *‘We must work to develop the capacity of Malaysian enterprises and enable them to roll out packaging and branding of their products and services that can compete at all levels’* (Prime Minister’s Speech) .

This research will focus on Bumiputra’s food company because the research tries to help them to innovate the packaging out look to commercialize the product at the same time, to enhance the performance of the company to jump into global market.

1.3 Research Questions

1. What are the packaging components that can attract the customer to purchase the product?
2. Which factors has the stronger impact on the innovation of packaging design?

1.4 Research Objective

1. To investigate the packaging components that can attract the customer to purchase the product.
2. To examine which factors has the stronger impact on the innovation of packaging design.

1.5 Scope

This research is very significant due to low performance of Bumiputra SME food product. The research projects will focus on the innovating of packaging product in terms of color; typography design and brand name which that the element component play important role in packaging. It will discuss what the impacts toward performance in

SMEs toward global market when the innovation process happened on the packaging of food product with combination of color, typography and brand name. Lastly, the researcher will finalize either color or typography and rebranding which have the stronger impact to enhance the performance toward global market.

1.5.1 Limitation

- Several data might be difficult to get because respondents refuse to spend a time answering the questionnaires at the manufacture department.
- Several manufactures refuse to do innovation on the packaging.

1.5.2 Key assumption of the study

The researcher assume when doing process innovation on packaging food product by innovate the color, typography and rebranding with the new design it will enhance the performance of SMEs toward global market.

1.6 Important of the study

The research are purposely want to analyze the factor and what are the design of packaging can approach to the customer to buy the food product, at the same time it can give positive impact on the production performance in the SMEs food company.

1.7 Summary

In order to develop the right design product packaging by Bumiputra SME it may take time to approach and initiate the manufacture to do some innovation on color package and the typography. Up grading the knowledge of Bumiputra SME could help them to be more creative and enhance their understanding towards food product packaging that can attract Malaysian customer, at the same time it can enhance the performance of Bumiputra SMEs toward global market.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

The food packaging has become itself a sale promotion tool for the organization. According to Steven Dupuis and John Silvia, 75% of purchase decision is made at the shelf, and 100% of buyers see the package as a psychical attraction and appearance of the product should be attractive to attract attention (Dupuis & Silvia 2008). The good design packaging will stimulate customer buying behavior by the packaging quality, color, wrapper, typography and other characteristic of packaging. According to Rundh (2005) package appeals customer's attentiveness towards a certain brand, increases its image, and stimulates consumer perception about product. Particularly at the point of purchase, packaging has become a primary vehicle for communication and branding (Rettie & Brewer, 2000). Although Bumiputra's Malaysian SME's food product may have a potential to innovate, it is the little things that make the difference that is being overlooked. These include the packaging, labels that spell out the nutrient contents and even the products weight (Adams, 2008).

2.2 Innovative packaging

The innovative packaging is one of the researcher objective protection and preservation from external contamination (Roberson 2007). Innovating the packaging can give in communication and the attention towards the consumer. On the other word, innovation packaging is also called as a intelligent packaging that define as packaging that contains an external or internal indicator to provide information about aspect of the history of the package or the quality of the food (Robertson, 2006). Apart from that, Major (Rtd) Abdul Rahman Ibrahim which emphasizes that the quality of food product produced by Bumiputra Small Medium Enterprise (SME's) can be improve if SME's entrepreneurs use the right packaging method and equipment. The entrepreneurs must find a way to unsure that their food product will have a complete package that is beautiful, attractive, inexpensive and high quality (Bernama, 2010).

2.3 Typography

Typography derives from Greek roots of *typos* ('impression) and *graphein* ('to write'). Designer Eric Gill, in his book *An Essay on Typography*, stated, "Letter are things, not picture of things". In packaging design, typography is the primary medium for the communication of the products name, function and facts to a broad consumer audience. The typographic selection, layout and treatment of the words and letterforms effect how the type is read. Ultimately the typography on a packaging design becomes one of the most significant elements of the visual expression of the product.

In recent decades, typography is a critical tool in visual communication, in part because it can evoke human emotion by combining form with narrative text. Thus, human feelings may serve as the basic for the design of compelling images of a wide range circumstances in our surroundings. Thus, emotion has a powerful voice, and it can

be used in a soul stirring way to convey the unique qualities of each individual (Soo C. Hostetler)

Typography is the important element need to innovate on product which cannot attract customer to buy in order want to enhance the profit. Typography on Bumiputra SME product is not significant with the product and the information on package sometimes not effected the sign of the customer on that food product, so its need some improvement on it to develop their performance. A part of way to improve the packaging is innovate the style, shape and the size of alphabet or called as a typography design might be produce a good result in terms of individual perception and a significant effect on the communication at the package food product.

2.3.1 Categories of Typography

Typographic forms can be letterforms or individual characters, words, shapes, or symbols. Readability, legibility, reading time which is time takes someone to read, shapes and style are all characteristics of typography that affect communication. In particular, both the mechanics of reading, for example from left to right and visa versa and also for individual perception have a significant effect on the communication of typography.

2.3.2 Typographic Principles for Packaging Design

This principles consists 13 principles that refer from book Packaging Design by Marianne Rosner Klimchuk and Sandra A. Krasovec. These principles provides a framework fir typographic decision making for packaging design

Principle 1: Define the Typographic Personality

The typography work to define the packaging design's personality. The visual personality is what to communicate and how consumers perceive in design. Research, experimentation, proper type selection such as font, size, and weight and a clear visual communication strategy has provided the foundation.

Principle 2: Limit Typefaces

Three typefaces is a general limit for any primary display panel in packaging design concept, but sometimes it is difficult to limit the number of typefaces because of the quantity of copy required.

Principle 3: Create Typographic Hierarchy

Typographic Hierarchy, the organization of the visual information, provides the framework for how information is read from greater to lesser are important. This is because can detect how the customer knows at a quick glance what to get form a packaging design information. Thus, typographic elements are ranked in their order of importance, and with the use of design principle such as positioning, alignment,

relationships, scale, weight, contrast, and color, the typographic hierarchy is developed to meet the visual communication objective.

Principle 4: Define the Typographic Positioning

Typographic Positioning is the physical placement of the typography within the primary display area which is the individual location of letter, word, and bodies of text in relation to other design elements on the packaging.

Principle 5: Determine Font Alignment

Alignment defines the overall architecture of the layout. The alignment of each word on a packaging design should be carefully considered since words that are centered, flush left, flush right or justified communicate differently. However, the shape of the packaging structure dictates the organization of the layout and the appropriate alignment choice that suits the design of the packaging product.

Principle 6: Vary Typographic Scale

Over time, scales are usually referred to the enlargement or reduction of point size. In typography for packaging, it refers to the size relationships of typographic elements in relation to one another. For examples, brand identities, brand names and their logos are generally bigger in scale than the product descriptor. Thus, typographic scale should always be appropriate to other elements and to the overall size of the package. Besides that, scale relates to emphasis; consider positioning and alignment along with scale.

Principle 7: Choose to Contrast

Contrasting typefaces is one means to communicate words or lines of copy that may be equally important but distinctly different. Typographic contrast consist of light vs. bold, italic vs. roman, serif vs. san serif that allows the designer to organizer information for the consumer and add interest to the layout.

Principle 8: Experiment with Type

Experimenting with tpestyles, characters, letterforms, ligatures, kerning and layout is an important part of the design process. Experimentation is the part of the creative exercise that allows ideas to be visualized and take shape. The process is a critical evolutionary step toward the success of a final design solution.

Principle 9: Stack Characters Carefully

Stacking characters and letters on top of one another in a vertical line does not work well in Western culture, where letterforms are read horizontally. The ascender and descenders of lowercase letter do not sit on top of each other properly, which diminishes readability. Stacked characters on a packaging design can make shelf stocking confusing since the proper vertical or horizontal orientation for the product is unclear.

Principle 10: Remove Your Visual Bias

The professional process should not be based on 'I knew it would work' or 'I like that font' decision making but the designer should be able to explain their design process and their rationale for the typographic solution, and the packaging design must ultimately stand on its own.

Principle 11: Make It Ownable

The brand name and the product name are what the consumer connects to both mentally and emotionally, so the typography used should be unique to the brand as well as ownable. This can be achieved without creating a whole new typeface or designing one by hand. Using an existing typeface, characters can be revised, new letterforms can be designed, ligatures can be created, and type can be skewed for an 'italic' style. However, caution should be taken to maintain the integrity of the original type design.

Principle 12: Be Consistent

Consistent use of type in personality, style, positioning, and hierarchy creates a unified look across a brand family or line of product, creating a strong shelf presence. In addition, the consistent use of typography can help to build brand equity because the consumer comes to identify the typography style with the brand.