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THE INFLUENCE OF PACKAGING ATTRIBUTES ON
CONSUMER BUYING DECISION FOR
BEAUTY AND HEALTH CARE PRODUCT

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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.

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ABSTRACT

Nowadays, the role of packaging has change due to increasing variation in the consumer desires but not only used as increasing sales, attracting customers and product communication to its consumers. Packaging is often being one of the most important features in attracting potential customer to product. More companies are interested in packaging as a tool to increase their sales. This study was conducted to investigate the influence of packaging attributes on consumer buying decision for beauty and health care product. The data were collected using questionnaires from 200 respondents in Malaysia. Furthermore, Pilot test, descriptive analysis, Reliability test, Validity test and inferential analysis that including Correlations, Multiple Regression Analysis and Hypothesis testing had been discussed in chapter 4 in order to analysis the data collection. The finding of this research indicates that among the entire attributes such as colour, material and printed information have significant affect on consumer buying decision of beauty and health care product. However, font style and design of wrapped are no significant relationship with the consumer buying decision of beauty and health care product. Lastly, the results also show that printed information was the most influential attributes that affect on consumer buying decision of beauty and health care product.

Keywords: Packaging, consumer buying decision, beauty and health care product

ABSTRAK

Pada masa kini, peranan pembungkusan telah berubah disebabkan oleh peningkatan perubahan dalam kehendak pengguna tetapi tidak hanya digunakan sebagai meningkatkan jualan, menarik pelanggan dan komunikasi produk kepada pengguna. Packaging sering menjadi salah satu ciri yang paling penting untuk menarik bakal pelanggan untuk produk. Kebanyakan syarikat berminat untuk pembungkusan sebagai alat untuk meningkatkan jualan mereka. Kajian ini dijalankan untuk menyiasat pengaruh pembungkusan sifat keputusan pembelian pengguna untuk kecantikan dan penjagaan kesihatan produk. Data yang telah dikumpulkan dengan menggunakan soal selidik daripada 200 responden di Malaysia. Tambahan pula, ujian Pilot, analisis deskriptif, ujian kebolehpercayaan, ujian Kesahan dan analisis inferensi yang termasuk Correlations, Berbilang Analisis Regresi dan ujian hipotesis yang telah dibincangkan dalam bab 4 untuk analisis pengumpulan data. Hasil kajian ini menunjukkan bahawa di kalangan sifat-sifat seperti warna, bahan dan maklumat yang dicetak mempunyai ketara memberi kesan kepada pengguna keputusan membeli kecantikan dan penjagaan kesihatan produk. Walau bagaimanapun, gaya fon dan reka bentuk pembalut adalah hubungan yang signifikan dengan keputusan belian pengguna kecantikan dan penjagaan kesihatan produk. Akhir sekali, keputusan juga menunjukkan bahawa maklumat yang dicetak adalah sifat-sifat yang paling berpengaruh yang memberi kesan kepada keputusan pembelian pengguna kecantikan dan penjagaan kesihatan produk.

Kata kunci: Packaging, keputusan pembelian pengguna, produk kecantikan dan penjagaan kesihatan.

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CHAPTER 1

1.0 INTRODUCTION

This chapter is about the introduction of the research. This introduction is important to determine the success of the research with the elements of background of the research, problem statement, research question, research objective, scope, limitation and importance of the research.

1.1. Background of Research

The role of packaging nowadays has change due to increasing changes in the consumer desires but not only used as increasing sales, attracting customers and product communication to its consumers. More companies are interested in packaging as a tool to increase their sales. A good packaging helps to identify product to the consumers. The producer uses the packing for the consumer satisfaction that the

product is original means that the product is new. They also use for the promotional purposes as well as to differentiate the product from other brand. Consumer market grows rapidly and keep increasing the number of competitors among the products in the market currently.

To compete with the competitors, every firm or company must have their own strong competitive advantages on their product. However, the role of packaging has become one of the competitive advantages for all of the firms in this market. This competitive advantage helps in projecting the image of product into the market and allows companies looks outstanding compare to their competitors. Packaging is an importance tool to attract and influence the customers buying decision. Packaging has slowly become one of the strategies to compete in this market as attracting more customer and influence consumer buying decision.

According to (Rita, 2009), explained package attracts consumer's attention to particular brand, enhances its image, and influences consumer's perceptions about the product. This show that consumer buying decision is influenced by packaging attributes. The packaging attributes includes colour, material, font style, design of wrapper and printed information. The whole packaging has become the unique selling proposition (USP). The USP can help consumers to differentiate the products from those competitor's product.

Differentiation in packaging is very important due to too many competitors in this market. Also packaging imparts unique value to products (Underwood, 2001), works as a tool for differentiation (Silayoi, 2004), i.e. helps consumers to choose the product from wide range of similar products, stimulates customers buying behavior (Wells, 2007). However, packaging also can helps in attracting the customer's attention. The critical importance of packaging design is growing in such competitive market conditions, as package becomes a primary vehicle for communication and

branding (Rettie, 2000). The key element of marketing communication toward the consumer is packaging.

Therefore, this research aims to discuss the key factors of packaging attributes that influence consumer purchase decision and understanding the relationship between the consumer behavior and attributes of packaging. Besides, this research also needs to find out the importance of the packaging to attract more customers.

1.2. Problem Statement

The main purpose of this research is to find out the influence of packaging attributes on consumer purchase decision for beauty and health care product. However, there have some industry or company facing some problem on their marketing. Poor packaging is one of these problems that they are facing. Packaging has become very importance as many companies are realizing that good packaging equals increased sales. Besides, it also plays an importance role in product's success. The perception and the aesthetic of the packaging may attract more customer. An objects with an unattractive form may cause consumer dislike.

Furthermore, there have possible solution for them that is to understand the packaging attributes that will influence consumer buying decision. Those companies can improve their packaging design to increase profit and attract customers in this large society or in this market. Those previous researchers did not have do research on beauty and health care product. Therefore, this whole research is main focus on beauty and health care product. Therefore, all the beauty and health care manufacturer need to consider packaging is very importance and will help them to increase profit in

selling. From the situation, the researcher was thinking to help on overcome the problem on improve the packaging with importance packaging elements in beauty and health care product that faced by marketers and manufacturers in their businesses.

1.3. Research Questions

The research question of this study are:

- RQ1: What are the packaging attributes that influence consumer buying decision for beauty and health care product?
- RQ2: Which attributes has the most important effect in determine consumer buying decision for beauty and health care product?
- RQ3: What are the relationships between packaging attributes and consumer buying decision for beauty and health care product?

1.4. Research Objectives

The research objectives of this research that need to achieve and to help manufacturer and seller to understand the attributes of packaging that influence on consumer buying decision are:

- RO1: To identify attributes of packaging that influence consumer buying decision for beauty and health care product.
- RO2: To identify attributes that has the most important effect in determine consumer buying decision for beauty and health care product.
- RQ3: To examine relationship between attributes of packaging and consumer buying decision for beauty and health care product.

1.5. Scope

The research only focus on packaging attributes factors that affect consumer buying decision of beauty and health care product. This whole research is focus to beauty and health care product that has pay more attention on their product packaging. For this research is focus in Malaysia. Besides, this research' sample size will focus on both gender and age above 18 and above.

1.6. Limitation

Time constraint is one of the limitation during this research. It is given a short time to finish the research and prepare for the presentation. The part that spent the most time in this research is getting survey from the respondents. After surveying on the respondents of the quality questionnaire, data is collected. This collection of data used

up a lot of time as there are many surveys or questionnaire that have to be filtered in order to get a more quality result based on the research.

Budget is also a limitation of this research as this research is done in 100 over pages. The researcher has to print out three copies. Besides, it is also happening in accessing secondary information due to some of the journals and reports online required paying in advance in order to access and read. It also happens in accessing secondary information.

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.

1.7. Significance of Study

Firstly, the industries of beauty and health care product will benefit from this study. This study inform the good packaging can help companies to gain more competitive advantage. Besides, they can do more innovation on packaging to over their competitors. Secondly, the manufacturer and seller can get great benefit from this study. This study will point out the requirement of good packaging to attract more customer and also brings profit to them. Thirdly, this study not only benefit to all firm but also the readers. This study will benefit them as increase their knowledge and understanding the importance of packaging from the study.

1.8. Contribution of Study

The contribution of this research is know the packaging attributes that influence on consumer buying decision for beauty and health care product. Also, it can let us know the impact on packaging on consumer buying decision. Besides that, this research has state out the importance of packaging that can help all the firm to attract more customer.

1.9. Summary

In this chapter, the researcher has briefly explained about all the background of study. The main items in this chapter are the research objective and research questions. This two is the heart of the whole research report. Also, the researcher has explained about the problem statement and the scope of the study. In addition, the research hypothesis also explained in this study. Besides of that, the researcher has explained about the significance of study and the contribution of this research report towards the publics.

CHAPTER 2

2.0 LITERATURE REVIEW

This chapter will first explain the definition of consumer buying decision and packaging. However, this chapter also explain the function of the packaging and the technology of packaging. In addition, the consumer buying decision in packaging and the packaging attributes also will explain in this chapter. Besides, this research is based on beauty and health care product. Thus, this chapter also bring out the relationship between attributes of packaging and consumer buying decision for beauty and health care product. Lastly, this chapter will end with the presentation of the research framework of this study and the hypothesis of this research.

2.1. Packaging

The consumer buying decision is depending on customer desires whether can satisfy his needs or not. Consumers have their expectations on the product or service that they purchasing will satisfy their needs (Kupiec, 2001). The packaging becomes a major factor that influence the consumer buying decision. This is because packaging is the first introduction of the product which communicates the consumer that whether a product fulfil their requirements. According Kotler, packaging is a container for a product which have three major duties: protecting the contents of package, providing information and differentiating the product from other brands via attracting consumer attention. Packaging is used for easily delivery and safety purpose when deliver product to final customer. Packaging can be defined as a container for product that includes with physical appearance of container, colours, shapes, and materials (Deliya, 2012). Besides, packaging is a wrapping material around the product to protect, identify and promote the product to the market.

In marketing, packaging plays an important role in communication and behaves as one of the important factors that will influence consumer buying decision (Deliya, 2012). Packaging is a part of the product and the brand in marketing. A product's package represents its characteristics and communicates the product information. According to Jahre, packaging is the technology and art of preparing a commodity for convenient transport, storage and sale. Besides, packaging is a tool as attract customer's attention by convey messages about product attributes to consumers at the point of sale.

For consumers, the product and the package are one and the same when they see it on the supermarket shelves. Packaging works as a tool that help consumer to differentiate product from a wide range of similar products and raise consumer purchasing behavior (Wells, 2007). The package helps to sell the product by attracting customer's attention and communicating provides consumers with product-related

information during the buying decision process, and also allows the product to be contained, apportioned, unitized, and protected. The packaging images can help the consumers to attract towards the product. Packaging is used as one of a source of communication and maintain the brand (Rettie, 2000). According to Deliya, packaging attracts consumer's attention and improves consumer attitudes, both of them will effect on consumer perception about product. During the buying decision, the package will assist the consumer by creating the overall product perception which helps the evaluation and the making of the right choice. Furthermore, the package design creates added value and to the product respectively. The packaging elements have a major role in package appearance such as colours, font, text, and graphics.

There is a term that has its origins in packaging and packaging design - product positioning. Positioning recognizes the importance of the product and the image of the company and it is required to differentiate the product in the minds of consumers. However, the main goal of positioning is to provide a successful presentation and explanation on why the consumers should buy a particular product. Therefore, the package and packaging design aims at consumers' attention, whereas the positioning helps the company to place the products properly in the market. The package's overall features can underline the uniqueness and originality of the product. In addition, quality judgments are largely influenced by product characteristics reflected by packaging. If it communicates high quality, consumers assume that the product is of high quality. If the package symbolizes low quality, consumers transfer this low quality perception to the product itself. The package communicates favorable or unfavorable implied meaning about the product.

Lastly, packaging is an important factor that will influence consumer buying decision by fulfilling many functions as to protect, transport products, provide information and facilitate handling until the products reaches its final consumer.