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“I/We, hereby declared that I/we had read through this thesis and in my/our opinion, this thesis is adequate in terms of scope and quality which fulfill the requirements for the award of Bachelor of Technology Management in High Technology Marketing”

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THE IMPACTS OF PRODUCT PACKAGING ON CONSUMER BUYING  
BEHAVIOR: A CASE STUDY OF MELAKA TRADITIONAL FOOD  
PRODUCTS

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Report submitted in fulfillment of the requirement for the degree of Bachelor of  
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Faculty of Technology Management and Technopreneurship

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## DECLARATION

“I declare that this project is the result of my own research except as cited in the references. The research project has not been published for any degree and is not concurrently submitted in the candidature of any other degree.”

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## **DEDICATION**

For those who want to know.

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## ABSTRACT

The aim of this research is to investigate, analyze and understand the impacts of product packaging on consumer buying behavior. This research focuses on the Melaka traditional food product. The independent variable of this research is product packaging, but the researcher narrowed it down to the four elements of product packaging, which are graphic design, packaging dimension, printed information, and innovation. The dependent variable of this research is consumer buying behavior. The researcher will identify the relationship between the independent variables and the dependent variable. Next, the researcher will examine which elements in the food product packaging have an impact on consumer buying behavior. Then, the researcher will identify how these elements impact on consumer buying behavior. The researcher conducted this research by using the quantitative approach where the samples of 100 questionnaires were distributed to respondents around Melaka City.

Keywords: product packaging, consumer buying behavior, Melaka traditional food

## **ABSTRAK**

*Tujuan penyelidikan ini adalah untuk menyiasat, menganalisis dan memahami kesan pembungkusan produk terhadap tingkah laku membeli pengguna. Kajian ini memberi tumpuan kepada produk makanan tradisional Melaka. Pemboleh ubah bebas dalam penyelidikan ini adalah pembungkusan produk, tetapi penyelidik memfokuskan hanya kepada empat unsur pembungkusan produk, iaitu reka bentuk grafik, dimensi pembungkusan, maklumat bercetak, dan inovasi pembungkusan. Pemboleh ubah bergantung penyelidikan ini adalah tingkah laku membeli pengguna. Penyelidik akan mengenal pasti hubungan antara pemboleh ubah bebas dan pemboleh ubah yang bergantung. Seterusnya, penyelidik akan mengkaji elemen-elemen dalam pembungkusan produk makanan yang memberi impak kepada tingkah laku membeli pengguna. Kemudian, penyelidik akan mengenal pasti bagaimana elemen-elemen ini memberi kesan kepada tingkah laku membeli pengguna. Penyelidik menjalankan kajian ini dengan menggunakan pendekatan kuantitatif di mana sampel 100 soal selidik diedarkan kepada responden di sekitar Bandaraya Melaka.*

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## CHAPTER 1

### INTRODUCTION

This chapter gives an overview of the background of research which explains the current market trend and current consumer buying behavior. This chapter also explains the problem of Melaka traditional product packaging, then the researcher come up with two research questions and developed two research objectives. The researcher also explains in detail the scope and limitation of this research. Furthermore, the researcher reveals the significance and the contribution of this research.

#### 1.1 Background of Research

Product packaging can contribute to the success or failure of a product in the market. Packaging is known as an attention-grabbing tool to promote the product contains. A few researchers define product packaging as a container to protect it contains while others disagree and proclaim packaging as an element that creates product identity and personality.

In the research (Ahani, Bahrami and Ahani, 2013) investigate the relationship between visual components of packaging and food consumer behavior. They found that design of product packaging can attract consumers and influence them to make a purchase.

Nowadays, packaging, use as a tool to deliver product value and act as a tool for sales and promotion of a company. According to Mohebbi (2014), the packaging is an important tool to promote a product because it has a close relationship with consumer compared to a salesperson. The packaging not only becomes the identity of a product but also reflects the corporate image of a company. A good image portrays on product packaging can convince them that the product has good quality. As mentioned by Wang (2013), product packaging can influence consumer perception of product quality directly.

In today's market, consumers can find a lot of similar products in a store. Therefore, consumers have the power to choose, which products they think have better quality. With so many options available in the store, consumers will judge a product based on its packaging before purchase. An effective packaging can help to create a distinctive character of a product, thus making the product seems more appealing. Consumers are more likely tend to buy a product that has convincing packaging.

A good product packaging can give shelf impact and makes a product to stand out in the store. At the point of purchase, product packaging that able to help consumers distinguish the product from its competitors will ease consumers buying decision process. Consumers can make the decision faster and more likely they will feel more satisfied with their choice if the product quality provides the same value as what they perceive from the packaging.

Many researchers have proved that packaging can influence consumer buying behavior. Product packaging can affect the consumer mind and emotion. That is why the poor design of packaging gives a negative impact on consumer behavior and cause low sales performance. Therefore, it is essential for marketers to understand the consumer buying process and how elements of packaging can give impact. Hence, an effective packaging can be developed to stimulate consumer interest and lead to better sales performance.

## 1.2 Problem Statement

Melaka traditional food products are lacking in packaging uniqueness. The products are unique, but its packaging does not as unique as it has contains. The manufacturers only focus on producing the traditional foods and sell them to get profit. It is a great mistake that many enterprises focus solely on products and overlook its packaging. Some of the manufacturers might want to save cost, thus they create poorly design packaging.

Packaging should be taken seriously by many enterprises since it is a medium to reflect the quality of the product. Packaging that fails to impress customer will not be able to succeed. Other than that, Melaka traditional food products is reflecting Melaka identity to foreigners. If the packaging of these products fails to deliver the value of Melaka as heritage's state, it will bring a bad image to Melaka and Malaysia too.

Thus, understanding of how food packaging can impact consumer buying behavior is important. This research will focus on how Melaka traditional food packaging can impact consumer buying behavior. This research also will reveal the elements of packaging that can impacts consumer buying behavior.

## 1.3 Research Questions

The purpose of this research is to investigate, analyze and understand the impacts of Melaka traditional food product on consumer buying behavior. Therefore, this research will be guided by following questions:

1. Which elements of the food product packaging have an impact on consumer buying behavior?
2. How do these elements impacts on consumer buying behavior?



## **1.4 Research Objectives**

Basically, the research aims to investigate the relationship between food product packaging and consumer buying behavior. Thus, the research objectives are:

1. To examine which elements in the food product packaging have an impact on consumer buying behavior.
2. To identify how these elements do impacts on consumer buying behavior.

## **1.5 Scope and Limitation**

The scope of this research is to concentrate on the impacts of food product packaging on consumer buying behavior. This research focuses only on the packaging of Melaka traditional food products like Gula Melaka, dodol, cincalok and many more. This research is significant due to the low quality of Melaka traditional food packaging. The research will be guided by only four elements of packaging as independent variables, which are graphic design, the dimension of packaging, printed information and innovation. The researcher will identify the relationship between these four variables with consumer buying behavior.

This research limited to traditional food products and Melaka City consumers as the target population. The willingness of respondent to cooperate and answer the question honestly is unknown. Other than that, the time constraint can affect the result of research. The researcher have a limited amount of time to conduct research, gather data and presenting the final result.

## **1.6 Significance of Research**

This research is significant to provide a deep understanding of the impacts of Melaka traditional food product packaging on consumer buying behavior. As we know, Melaka traditional food product packaging is lack of creativity and innovation. Most of the packaging looks same even though the products are from different manufacturers. A good understanding of these issues is important to develop effective packaging as a silent promoter, maximize consumers' choice and increase the competitiveness of Melaka traditional food products.

## **1.7 Contributions of Research**

### **i) Knowledge**

Although many researchers have done research on the impact of packaging on consumer buying behavior, we still lack research about packaging in Malaysia. We also lack research about the impacts of product packaging on consumer buying behavior in Malaysia. Therefore, this research will give knowledge contribution to the topic of packaging and consumer buying behavior in Malaysia.

### **ii) Industry**

Melaka traditional food products still lack in variation of packaging. Most of the products available in the market do not have an impactful effect on consumers. The researcher believes that this happens because the industry lack understanding of how powerful elements of packaging can affect consumer buying behavior. Knowledge about consumer buying behavior can provide manufacturers a competitive advantage (Kotler & Keller, 2016).

## 1.8 Summary

Melaka traditional food products are lacking in packaging uniqueness. The products are unique, but its packaging does not as unique as it has contains. It is a great mistake that many enterprises focus solely on products and overlook its packaging. Packaging should be taken seriously by many enterprises since it is a medium to reflect the quality of the product. A deep understanding of the impacts of product packaging on consumer buying behavior will help companies utilize packaging as an effective marketing tool. This research is significant due to the low quality of Melaka traditional food packaging. The research will be guided by only four elements of packaging as independent variables, which are graphic design, packaging dimension, printed information and innovation. The researcher will identify the relationship between these four variables with consumer buying behavior.

## **CHAPTER 2**

### **LITERATURE REVIEW**

This chapter will describe the definition of terms used in the research to provide a clear understanding of the purpose of this research. This chapter also highlights the literature review of the consumer buying process, functions of packaging and roles of packaging in marketing. Furthermore, the researcher will reveal the elements of product packaging and its impact on consumer buying behavior, followed by the proposed research framework and research hypotheses.

#### **2.1 Definitions**

##### **2.1.1 Consumer Buying Behaviour**

According to Kotler and Keller (2016), consumer buying behavior is the study of the consumer attitude, preferences, intentions and decisions when purchasing goods and services to satisfy their needs and wants. Schiffman and Kanuk (2007) defined consumer buying behavior as the actions that consumers express when they choose and buy the products or services by using their resources to satisfy their needs and desires. Different researchers defined the concept of consumer buying behavior in different ways. This is because consumer buying behavior is a complex issue which, cannot be interpreted generally (Blackwell et al. 2006).

However, all definitions show that the general view on consumer buying behavior is as the process of selecting, purchasing and disposing of goods and services according to the needs and wants of the consumers.

### **2.1.2 Product Packaging**

The definition of packaging can be varied from being practical and useful for more in-depth explanation, which involved integrated approach (Deliya and Parmar, 2012). According to Kotler (2000), the packaging is defined as activities of creating the container for a product.

In the research (Vieira, et al. 2015) mentioned that the primary function of packaging, is to enclose and disclose product in the packaging, not only plays a practical role in protecting the product. Arens, Weigold, and Arens (2012) defined packaging as the container which encloses the product as a physical appearance that consists of the design, color, shape, printed information, and materials used. In other words, the packaging is containers that enclose the packages contain and act as an external element of the product.

## **2.2 Consumer Buying Process**

Kotler and Keller (2016) proposed the five stages model in consumer buying behavior. The five stages model described the typical buying process for consumers.

### **i) Need recognition**

At this initial stage, consumers are aware of their needs and want. Consumers recognize their needs that not yet fulfilled. The need is the fundamental of buying behavior. Without the unfulfilled need or problem recognition, marketers cannot identify consumer buying behavior. Need or problem drives an individual act of

buying the product. The need or problem can be stimulated by internal or external stimuli. Internal stimuli involve basic needs, like hunger, mating, and comfort. External stimuli involve external drives like when an individual see a new smartphone, he wants to buy it. Therefore, marketers have to examine factors that can trigger a certain need. Marketers should gather information from consumers to identify conditions that can stimulate interest in certain products. Based on the data, marketers can develop marketing strategies on how to stimulate consumer interest towards their products.

#### ii) Information search

When a consumer interested in a product, he will try to look for information regarding that product. He will seek advice from family and friends, watch television, browse online reviews, and try to gather information from all possible resources. However, the consumer will not collect details of all brands available in the market. He will select which brands influence him the most and then he only analyses a few selected brands. Thus, marketers should able to make sure this product can give impact on the shelf to attract consumer's attention. Product positioning is important to get into the consumer interest list. The company also must know which information sources have a high view rate. This is to create awareness about the company's product so consumers can get information about that product easily.

#### iii) Evaluation of alternatives

At this stage, the consumer will choose one brand that he believes can give great satisfaction to his need. He cannot buy the entire selected brand. So, he needs to evaluate each brand to identify which brand that satisfies his need the most. The consumer will evaluate competitive brands to judge the benefits offered, prices and others evaluating criteria based on his need. It is important for marketers to highlight the best features of his brands. Marketers must make sure consumers can understand and aware of its brand value. If consumers unable to recognize the best features of a product, they will not interested to purchase it.

#### iv) Purchase decision

Now, the consumer makes his choice to buy the most preferred brand. However, there are three factors that can influence the purchase decision. The first factor is the behavior of others consumer towards that brand. If the brand has issued at the moment consumer make the intention to buy it, he might change his to alternative brand or postpone his purchase. The second factor is an unexpected situation like increasing price, loss of the job or other similar factors. The third factor is consumer's perceived risk. If the consumer is confident in that brand quality, he will buy it as soon as possible. But if the consumer is not confident, he will hesitate and might postpone his buying.

#### v) Post-purchase behavior

This last stage is where the consumer has already purchased his preferred brand. At this moment, he may find that the brand does not up to his expectation and fail to satisfy his need. There may be some defect or problem while consuming the product. If consumer satisfied with the product, he will repeat his purchase and recommend it to others. If it's not, he may influence others to not buy it. Thus, marketers must know consumers expectation and satisfaction toward his product performance. With this understanding, marketers can improve the product to meet consumer expectation. The salesperson and advertisement also must not exaggerate the product features. Consumers need to know the truth about the product. If a consumer found out that company is overemphasized the product's benefit when the product actually does not perform as claimed, he will feel cheated and this can damage the company's image and reputation.

### 2.3 Functions of Packaging

According to Klimchuk, et al. (2013) in the book “Packaging Design: Successful Product Branding from Concept to Shelf”, the functions of packaging divided into the primary, secondary and tertiary function. These three functions are divided into following sub-functions as shown in Table 2.3 below:

Table 2.3: The functions of packaging  
(Source: Klimchuk, et al. 2013)

<b>The functions of packaging</b>	<b>The sub-functions of packaging</b>	<b>The elaboration of functions</b>
a) Primary functions	A protective function	To protect the content form environment (e.g. Temperature and humidity).
	Storage function	A container to store the product.
	Loading and transport function	Provides convenience in the handling of the product from one place to another.
b) Secondary functions	The sales function	To enhance the sales process.
	Promotional function	To attract the potential buyers.
	Service function	To inform the consumers about the content and use of goods.
	Guarantee function	To inform the consumer about product's nature, composition, weight, quantity and storage life.
c) Tertiary functions	Additional function	The packaging may be reused or recycled.