DECLARATION

I, HOH SEK YIN hereby declare that I had read through this thesis entitled "THE IMPACT OF PACKAGING DESIGN ON CONSUMER PURCHASE INTENTION OF COSMETIC PRODUCTS" and in my opinion that this thesis is adequate in term of scope and quality which fulfil the requirements for the award of Bachelor of Technology Management and Technopreneurship (Hons In High Technology Marketing)

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THE IMPACT OF PACKAGING DESIGN ON CONSUMER PURCHASE

INTENTION OF COSMETIC PRODUCTS

HOH SEK YIN

The thesis is submitted in partial fulfilment of the requirements for the award of

Bachelor of Technology Management and Technopreneurship

(Hons In High Technology Marketing)

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DECLARATION OF ORIGINAL WORK

I, HOH SEK YIN hereby declare that all the work of this thesis entitled "THE IMPACT OF PACKAGING DESIGN ON CONSUMER PURCHASE INTENTION OF COSMETIC PRODUCTS" is original done by me except for the quotations and the information that have been acknowledges. This thesis has not been accepted for any degree and is not concurrently submitted by candidature of any other degree.

SIGNATURE : …………………………

NAME : HOH SEK YIN

DATE : ……………………….

DEDICATION

I would like to appreciate the dedication of my beloved families who educated me and motivate me to proceed my studies until degree level especially my father Mr Hoh Lit Son and my beloved mother Mrs Chew Kim Lian. The sacrifices that they made to me have let me proud to have them as my parents. Next, dedication to all my siblings which have helped me a lot in term of spirit, encouragement, finance support and for giving timely advice in all the ways. Lastly, I express a deep sense of gratitude to my lecturer whom also my supervisor for my final year project, Cik Sitinor Wardatulaina Mohd Yusof and my fellow friends. They have provided me fully support and advice throughout this research. Without their blessing and encouragement, this research is impossible to complete within short period of time.

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ABSTRACT

This research is to study for the impact of packaging design on consumer purchase intention of cosmetics product. Therefore, the purpose of this study is to focus on how consumers, and cosmetic product packaging technology efforts, influence consumer purchasing options. This study is constrained by three specific objectives, graphic evaluation (color and artwork), package dimension (shape and design) and product information (labels), and how this major packaging area affects consumer purchase intention for cosmetics brands and purchasing. The design of study to be used is quantitative. This study uses descriptive design and explanatory design and conduct in Peninsular Malaysia as a population study. This study choose the samples of 1,000 respondents in Peninsular Malaysia, such as students, workers, and adults specific age within 18-60 years old , were selected with probability sampling and questionnaires provided to facilitate data collection. This information is then analyzed and interpreted to further understand the relationship between the packaging design and the consumer purchase intention of cosmetic product. In the results of this study, information has been described as the most important factor in packaging design. The study takes a short time to develop, involves a large cost to collect comprehensive data and location of Peninsular Malaysia too far from one state to another states to pass the questionnaire to respondents. The recommendations of this study are academic research on the role of packaging technology in consumer purchase intention

Keywords: Packaging design, consumer purchase intention, cosmetic products

TABLE OF CONTENT

LIST OF TABLES

LIST OF FIGURE

LIST OF APPENDICES

CHAPTER ONE

1.0 INTRODUCTION

1.1 INTRODUCTION

In this first chapter, the researcher will firstly discuss about the background of the study which include the general instructions and descriptions of the topic. Secondly, the researcher will explain about the problem statement which is means a brief description of the problem to be solved or conditions to be improved. Then, the researcher will determine about research questions and research objective which are basic core of the study and will be stated clearly in first chapter. Next, the significance of the study will be discuss and explain. Besides that, the researcher is followed by the scope. Scope can be said that it covers the content, method, time and location of the study. Lastly, the brief summary of the first chapter will be stated.

1.2 RESEARCH BACKDROUND

Under the Northern Ireland Department of the Environment, the package can be defined as "all goods made from natural ingredients to suppress, preserve, operate, deliver and enjoy the pleasure of the producer to the user or user" (Department Environment, 2010) This definition has some authenticity; packaging is a products and therefore completely different from the products it contains. However, on the contrary, it is considered as a free material package of the actual products concept to consumers is virtually worthless, they are filled with the essential assumptions of identical properties between the products contained. So well-designed, efficient and well design packages will eventually turn out to be high-quality products, but little products satisfaction research and products packaging (Hess, Singh, Metcalf, & Danes, 2014) derived from the use of human behavior is a concept of volatility that is difficult to measure and predict.

Successful products loads have fallen into the hands of marketers, they observe consumer behavior, creating "interesting" packaging. Packaging manipulating element(s) will have an inefficient and economically measurable "concept of unstable' (Levin & Milgrom, 2004). However, as consumer demand, changes in awareness and attention, and increased competition attempt to offset competition marketers must adjust their strategy accordingly. Besides that, similar research has been done on the cosmetic industry, especially in Asian countries. In Iran, consumers place high marks on packaging element(s) (shapes, sizes, colors) in their markets, and attractive, informative and powerful packaging products. (Jafari, Sharif, Salehi & Zahmatkesh, 2013) forward ideology that the products and packaging have a sense of connection as the user thinks that both are synonyms. As it is also a transport for products information, if the layout is reasonable, consumers will be more likely to buy a products as it plays a role in decision-making. It's been a day when packaging is just a

container to protect products through all supply chain levels (Kotler & Armstrong, 2010).

Moreover, another study conducted in Karachi, Pakistan, again shows the same results; when testing packaging components such as colors, packaging materials, designs and innovations for consumer purchase intention, it is clear that the packaging conveys the value that users see. If these element(s) are well integrated, this package will be a marketing tool that will have more coverage than advertisements due to continuous post-purchase products marketing. As in the Iranian consumer market, packaging here is considered part of the products, therefore, its quality conveys the value of the products and consequently becomes the products differentiation factor in the market. Keep in mind that their findings have found that their findings rely on user engagement, the time constraints they face in decision making, and the level of concern about environmental friendly packaging (Ahmed, Parmar and Amin, 2014). Other studies (Deliya & Parmar 2012; Shah, Ahmad and Ahmad 2013; Solanki 2014) have been tested in India and Pakistan, including packaging element(s), designs, dimensions, information, innovations, packaging and synonyms of products that are essential for advertising programs. The role and nature of the user's decision to buy one products from another. Although the purpose of packaging expands over time, it still needs to meet the basic requirements; high products function and protection, not only through the supply chain, but also after purchase, until the products is depleted.

In recent years, the number of products in the industry has emerged in the cosmetics market in Malaysia (Ministry of Health Malaysia, 2017). From perfumes to make-up products, consumers are spoiled whenever they walk to a retail store looking for them. Despite the world famous brands such as Revlon, L'Oreal, Estee Lauder,

Nivea, Avon (Rooney, 2011) have a place in the national market, there are still strong market share from local companies (Situma, 2013) Which is now the last marketing communications tool company that can be used to promote their products. Grocery store shelves (Rundh, 2009). Therefore, competition in the industry forces corporate stake adults to invest in more engaging and innovative packaging to attract consumers. As a result, this program plays an important role in helping companies develop strategies because their goals are the consumer market. How consumers place their products value in their mind have a lot to do with the products packaging strategy used (Ampuero & Vila, 2006).

In addition, research on packaging marketing has shown that researchers generally believe that packaging designs such as forms, logos, sizes, colors, languages and so on may affect consumer purchasing decisions (Nesselhauf, L., Deker, J., Fleuchaus, R, (2017). Therefore, consumers face so many products every time they go to a grocery store, the most important thing is the package of other similar products and interesting enough to make a attention. Apart from empirical studies that examined the program should be persuasive, bringing all element(s) to meet the needs of users (Kotler & Armstrong, 2010).

Obviously, the package has a certain effect on the company and its users. It is a "marketer" whose effectiveness is elsewhere the scope of other promotional tools such as advertising. As a differentiation factor, the package places the products in a way that users can see. Therefore, despite many competing brands, the package can "call" consumers and help them locate at retail stores (Rundh, 2016). On the other hand, consumers can not only buy the full products, but also enjoy the added benefits of guiding the decision-making process, innovation, image and information (Jafari,

Sharif, Salehi and Zahmatkesh, 2013). Cosmetic users in Malaysia are like a variety of well-designed and packaged products according to their taste and attention. Moreover, independent variables had been done choose in research. In the study, researcher choose the graphics, dimensions and information on packaging design to research. When it comes to graphics, dimensions and information contained in the package, the company proposes various components of interest. (Shah, Ahmad & Ahmad 2013).

1.3 PROBLEM STATEMENT

The packaging industry is constantly changing, and each year we pay attention to the new design of cosmetic packaging. Because the cosmetics industry is a big industry, it has a multi-million dollar market, not only in Malaysia but also in the world. (Ministry of Health Malaysia, 2017). The dynamic perspective is the concept of internationalization and global village. These concepts are widely accepted and humiliated by the consumer's aesthetic concept, so product wrapping is unstable for every market participant (Rundh, 2009). From a marketing perspective, large corporations with many small companies are in most industries. There are many reasons for cosmetic products to benefit users, whether to increase self-esteem, hide or hide cockroaches, or improve the features of the selected face. Companies like Dior have a very uniform and very well-known packaging design that appeal to this audience. These large companies may feel that their design illustrates the high quality products sought by each user. This is not necessarily true, as younger consumers are more likely to have fun and more colorful designs. Younger consumers tend to stay

away from luxury-looking products because they cannot afford it, so researcher cannot assume that anyone who buys cosmetics will continue to enter the luxury market. Consumer opinions depend on their demographics and the importance of cosmetics and other beauty products to them. Because it makes the package look as much as possible, it is also important that the package corresponds to its retail environment.

Packaging is a growing market, especially beauty products are an important part of product packaging. Premium packaging is part of an experience when buying beauty products. High quality packaging makes users think that product quality is also very good. For example, in stores like Sephora, customers only expect high-quality and reliable products. The way products are displayed in the store can also have a big impact. Luxury retail stores such as Sephora Malaysia and Ulta Malaysia are more expensive and can find the same prices at local or pharmaceutical targets such as Watson products. The purpose of this study is to understand the effect of cosmetic packaging design on consumer purchase intention when buying a product, especially when product quality is lower than high quality products. The purpose of this study is to determine the effect of packaging design on consumer purchase intention, especially the perception of cosmetics and beauty products to consumers. Product packaging usually affects whether users want to buy the product. If the product is packaged in such a way that it looks wrong with high quality, then users may be affected by the purchase of low quality products. When deciding to buy, the original idea comes from the emergence of the package. Since consumers are looking for packaging elements related to this taste and quality, people value the product based on their appearance in the first few seconds, then choose and decide whether to buy and change consumer preferences**.**

As cosmetic manufacturers become deadlocked in consumer satisfaction, products similarities become smaller and smaller, and the software package is the most valuable tool to determine consumer purchase intention towards packaging design of cosmetic products (Shah, Ahmad and Ahmad, 2013). Therefore, the Malaysian cosmetic industry faces great competition from local producers and global giants. They now find a lot of very profitable investments, so their products and services are closer to Malaysian consumers (Situma, 2013). Lack of knowledge and understanding is the true cause of various cosmetic events. Community issues, religious riots, social errors, and racial excellence are a result of ignorance (Swidi A, Cheng W, Hassan MG, Al-Hosam A, Kassim M, et al. (2010). With the help of research, researcher can eliminate the perception of all these mistakes. Research contributes to the welfare and advancement of humans and society. As competition and demand of cosmetic products increases, therefore due to reason researcher choose this research to identify the effects of packaging design of cosmetic products. Based on the above arguments, this research can help the cosmetic industry understand the consumer purchase intention on element(s) of packaging design. However, the problems that have arisen and the work done for this research are to determine whether the impact behind packaging design cosmetic will affect the Malaysian consumers' attention to actually buy cosmetic.

1.4 RESEARCH QUESTION OF THE STUDY

Research Question 1: What are the element(s) of packaging design on consumer purchase intention towards cosmetic products?

Research Question 2: Does the packaging design have influence of consumer purchase intention to purchase?

Research Question 3: What are the most influencing element(s) of packaging design that will affect the consumer purchase intention towards cosmetic products?

1.5 RESEARCH OBJECTIVE OF THE STUDY

Research Objective 1: To identify the element(s) of packaging design on consumer purchase intention towards cosmetic products.

Research Objective 2: To determine the packaging design have influence of consumer purchase intention to purchase.

Research Objective 3: To determine the most influencing element(s) of packaging design that will affect the consumer purchase intention towards cosmetic products.

1.6 THE IMPORTANT OF RESEARCH

This study will test the relationship between cosmetic products packaging design and consumer purchase intention. The information generated by this study will benefit the following aspects;

1.6.1 Academic

In academic field, this research can built knowledge and learning can be promoted. Through detailed research, students can develop critical thinking skills, as well as effective and useful analytical, research throughout the world and fill the date research. Besides that, this research can to become the reference to junior future and particular cosmetic course student. In packaging design, the products information is significant relationship to change the consumer behavior. For example, labeling with particular ingredient that will attract the consumer purchase intention

1.6.2 Cosmetic Industry

Understanding the different element(s) impact of packaging design to evaluating a company's future performance and the overall value of a company. This also can give the suggestion to cosmetic industry to improve the aspect need to focus on. Cosmetic manufacturers and distributors with a description of the Malaysian market or future intentions, they are keen on products packaging and consumer market information, which can inform and increase their marketing strategy to boost the sales.