

Influence of Product Placement and Product Packaging: Customer's Impulsive Procurement Behaviour

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Abstract

The proposed topic is consequential from the much larger consumer behaviour disciplines, over which ample research has been previously been conducted. However, a precise aspect of the science that is impulsive conduct has been in the shadows. Thus, the topic aims to shed light on the phenomena known as impulsive compartment and whether or not it can be used to trigger impulsive procurements from clients. The research is aimed at 2 aspects of product that can be used to study this initiating phenomenon a) Packaging of the product b) Placement at the market place. A literature review of the little work already done in this field will be conducted whereas primary data will also be gathered to further clarify and defend any claims made. The study will help, not only in adding to the field of consumer sciences of this particular Asian region but it will also help in capitalizing numerous opportunities on the departmental store front as it is one of the fastest growing sectors of the country, making the findings of this discipline of key importance to various venture capitalists as well as existing business. Furthermore, the study will also add to the field of marketing and segmentation relations with reference to packaging as well provide an insight to e-commerce application with reference to placement sciences.

Keywords: Product Placement, Product Packaging, Customer's Behaviour, Impulsive Procurement

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INTRODUCTION

For decades after the WW II the paradigm has shifted from a seller-oriented market to a buyer-oriented market, researchers therefore have focused on the consumer buying behaviour. As with the passage of time another dimension that has grasped attention is the phenomenon that is impulse buying. As it implies, impulsive buying means to make and unplanned purchase, a procurement which intentionally was not meant to take place but due to various factors in play a sudden urge to buy a certain product takes place. There can be a number to factors to this but the two covered in this report are

- Packaging of the product
- Placement at the market place

A rough approximation proposes that just about half of the mall customers made impulsive purchases and one-third of department store acquisitions were impulsive in nature. A research conducted by Lewis & Layser in 2014 concluded that 76% American made their acquisition judgment in the marketplace. This evidently states that a study on impulse procurement and how to trigger favourable impulses is of vast benefits for manufacturers whether online or in person. This signifies that the independent variables momentarily affect the consumer through both psychological and physiological triggers. In addition, within those independent variables there exists a range of diverse aspects that have discrete impact upon the purchaser, these include coloring, design, audio & visual signals, fonts, writing etc. that are concomitant with the packaging aspects. Whereas in reference to placement, height, aisle space, location, the shelf space etc. of the product within the market place affects the percentage chance in procurement of the product. These minute factors en masse play a vital part in the inclusive procedure up to the point where they completely change an acquisition or even enforce one. A comprehensive study will intricate these associations and the impact they carry on the dependent variable under observation.

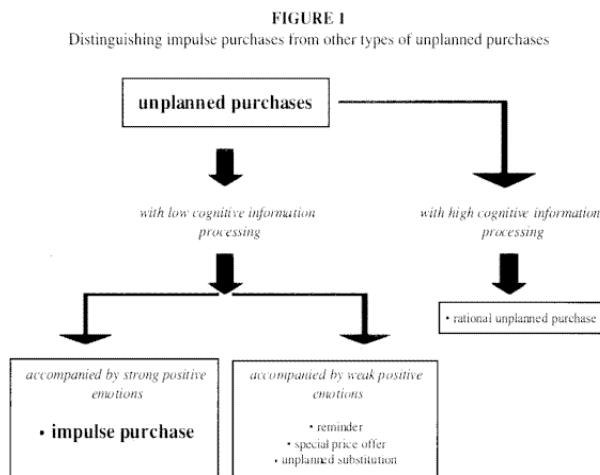
The influence of packaging and placement are directly related to impulsive buying. Impulsive buying results in an unanticipated change in consumer behavior and buying pattern. Thus, the question remains as to the validity of this fact and to what extent does this hold true. And if this can be studied can impulse buying be predicted and leveraged as advantage over competitors. By using previous researches along with conducting a primary research it is expressed. The core purpose of this study is to identify the quite possible changes that can take place in the consumer buying behavior. This particular paper focuses on the packaging or wrapper of the product as one factor of influencing impulsive buying and the other factor taken under consideration is the placement of the product in the market place or the shelf space allotted to the product. These two factors considerably alter the company predicted result as expected sale can be hurdled by psychological and physiological factors that exist while at the time or place of procurement. Based on results contemplated after going through previous researches and primary research conducted for further investigation, a conclusion that will arise from this exercise would benefit not only manufacturers but also retailers as well as consumers and help to acquire more accurate results in terms of sales.

- To firstly discover if impulsive buying is influenced by packaging and the placement of the product.
- To identify which elements of the independent variables are more involved than others.

- Help in predicting the ever changing behavior of the consumer to gain desirable result or forecast failures.

Hypothesis

- H1: There is significant impact of packaging on impulsive buying.
- H2: There is significant impact of placement on impulsive buying.



Impulsive Procurement

From the producer's view point, yes, impulse buying carried out by shoppers does do well for the business as it reflects attainment of the company's sales as well as their marketing efforts. According to Russell Huebsch impulse buying reaps up to 70 percent profit rather than regular purchases. However the same cannot be said for the users, former studies have revealed rather negative results and drawbacks of impulse buying incurred to consumers. Amongst the most common discoveries were:

- People spend more than they planned.
- Unsatisfactory post purchase assessment.
- More unnecessary items than necessary ones

Sentiments Concomitant with Impulsive Procurement

Momentous work has been directed with regards to the sentiments associated with impulse buying. Various researches elucidate emotions as causes, while others claim them to be effects. Motivation procuring is an across-the-board substance portion of the shopper's approach to life. Thus, this particular manner has gotten an extensive extent of keenness for the subject of buyer investigation and voluminous showcasing studies have put a heap of emphasis on this phenomenon (Rook 1987). Be that as it may, for whys and wherefores unknown, motivation procuring has persisted fairly as an enigma. Generally minute is supposed about the diverse factors that decide the inner instrument for driving customers into this demeanor (Herabadi 2003; Sarwar, 2016). The

enlightenment for this comparative miniature extent of investigation in the subject of drive buying is incompletely caused by the challenges observed amidst these examinations. Also, preceding studies have not wholly pinpointed the entire intellectual capacity of erstwhile discoveries on imprudent obtaining (e.g. Beatty and Ferrel 1998). diverse examinations express that buyer conduct includes a noteworthy piece of passionate components. As a matter of fact an agreement is shaped that feelings are enter in buyer conduct as late improvements in explore show that feeling no doubt assume a urgent part in the basic leadership procedure of utilization conduct. Consequently, it must be perceived that individuals take after their reasonable considering, as well as they are affected by passionate worries also (Batra 1986). Molding a customer's will to go looking for instance or forming a buyer's inclination for a specific brand or item includes the focal part of feelings. Fundamentally, utilization conduct - from in-store conduct to earlier and post shopping conduct - are interlinked with the feelings a buyer encounters (Herabadi, 2003).

Independent Variable: Packaging of the product

Packaging is the technology of encasing or securing items for dispersion, stockpiling, offer, and utilize. Packaging likewise alludes to the way toward planning, assessing, and creating packages. Packaging can be portrayed as a planned arrangement of getting ready merchandise for transport, warehousing, co-ordinations, deal, and end utilize. Packaging contains, ensures, jellies, transports, illuminates, and sells. In numerous nations it is completely incorporated into government, business, institutional, mechanical, and individual utilizes.

Kinds of Packages

There are 4 main types of packages depending on the type of uses:

- Principal packaging or sales packaging

The container that directly holds the item is a vital bundle. This is for the end-client or the purchaser. For instance a little aluminium container or glass bottle for delicate wine or fizzy beverages.

- Secondary packaging or grouped packaging

Any external wrappings that assist to store, transport, educate, show and ensure the item are auxiliary bundling. It serves just as a way to recharge the racks at the POS; For instance, the plastic bundling around 6 containers of delicate or fizzy drink.

- Tertiary packaging or transport packaging

This is any bundling that is considered to encourage the sheltered taking care of and transport of various sellable units or assembled bundling, keeping in mind the end goal to counteract physical harm because of wrong taking care of or transport. For instance, wooden cartons.

- Service Packaging

This is any packaging that is considered to encourage the sheltered taking care of and transport of various sellable units or assembled bundling, keeping in mind the end goal to counteract physical harm because of wrong taking care of or transport. For instance, wooden cartons.

Rudiments of Packaging

To impact those drive purchasing conduct technique of the different business sector section those bundling components that hails under assume would about principally 2 types' the visual components and the informational components. Visual components incorporate measurements for example, such that colour, size, state What's more pictures set looking into bundles which would persuade on the enthusiastic measurement of choice making. Informational components incorporate data furthermore innovation utilized within bundling that primarily influences the cognitive angle for choice making.

Dependent Variable: Impulse Buying

To begin with, instinctive procurement in its core means to execute a purchase that was unintended yet still considered and executed, reasons either being psychological or physiological or even tailor made triggers implanted by marketers. Impulsive buying however is of 4 major types

- Pure impulsive buying

Where a truthful novelty procurement is made which is very dissimilar from the typical buying pattern

- Reminder impulsive buying

Where there is a reminder after sighting a certain article or an entity that reminds an individual to buy a certain product.

- Proposal impulsive buying

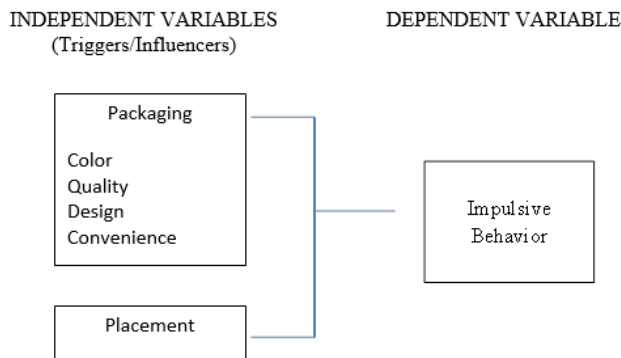
A number of products are merely taken onboard because the client feels a need to buy them after once looking at it, such is known as proposal impulse buying.

- Intentional impulsive buying

Procurements made on the basis of special offers and price discounts, are a part of intentional impulse buying verdicts. Of these 4 major types the one discussed in this report is pure impulsive buying intention being the under influence of the liberated variables taken under remark in this report that is, packaging of the merchandise and placement of the product in the market place are most meticulously related to the first type. Preceding work on the subject has governed a number of details on the subject of impulsive ordering include consumer's psychological characteristics, market place environment, loss aversion switch, the desire to save, as well as buying conditions.

METHODOLOGY

Theoretical frame-work represents the liaison amongst the dependent and independent variables. The peculiarity between dependent and independent variables is as important in a comparative study as in a regression analysis. Dependent variable in case of a comparative study is the one which we aim to predict and independent variables here, is the ones which are used to predict the dependent variable.



The study made to know that product wrapping and placement effects impulsive ordering which ultimately has effect on the customer buying decisions. Research design adopted for the study is descriptive in approach. It comprises of questionnaire related to the research topic. Descriptive research is solely about defining people who take part in the study. Descriptive research takes the form of closed ended questions, which limits its ability to provide unique insights. Method implied to collect primary mainly includes 100 close-ended structured questionnaires. Exploratory research means secondary data from E-journals, articles that gives an idea of a topic and makes the ground of the picture or primary research which can be first determine the sample and sampling technique because a large number of people may give bias results due to non-serious attitude so concluding first can be necessary and a part of exploratory research.

Data here is collected from survey which is done through questionnaires. Data here is collected from previous researches and literature review. Previous researches include different articles, e-journals and different websites. The sample size taken for the research is 100. sampling technique used in the sampling process was non-probability sampling. Customers of the selected places are selected using convenient sampling as I found it most suitable to go. This sampling technique is the most feasible in terms of time and money. The questionnaires were directly distributed to the members as a study test. The questionnaires comprised of two real parts, the first parts was intended to gather demographic information (email address, sex , age) and the second part contains 13 questions to measure the study variables. Ranking scaling and Likert scaling is done for research surveys (Questionnaires) as I found it most easy to analysis the result (Sarwar & Bhamani, 2018).

In this research, subsequently the figures are composed Statistical Package for Social Sciences (SPSS) was used to scrutinize the figures set. Descriptive statistics is a practice that make available, summary and can be used to investigate facts statistics. Here data apparatuses such as Mean and standard deviation were learned to launch the features of the respondents in terms of gender, age, and also to analyse the metamorphoses amid them. To scan the steadfastness of the apparatus which was used to amass the statistics from the sampled respondent, the core uniformity of the articles was considered. Beforehand smearing the test for construct legitimacy, the sampling competence was illuminated using KMO and Barlett's Test. After that ANOVA test was engaged to test the hypothesis.

RESULTS & FINDINGS

It Using SPSS Statistics, Principal Components Analysis (PCA) was engaged to test the Convergent Validity of the used construct. The table indications the yield of PCA revealing that constructs were mined. The output of PCA reveals the constructs as valid for hypotheses testing.

Customer's Impulsive Procurement Behaviour

ANOVA^a

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	50.330	7	5.300	18.073	.001 ^b
	Residual	30.000	6	1.071		
	Total	80.330	13			

a. Dependent Variable: prefer buy easily store

b. Predictors: (Constant), prefer items want entrance, product packaging reuse, packaging influences decision, buy items way out store, well package product, convenience packaging purchase decision

The result of F measurement is 18.073 which, is significantly higher furthermore the value P (sig value) is 0.001 which is lesser than 0.05 (standard of significance) this entails that the examination of ANOVA. Is noteworthy and the model is effective from the given prognosticators.

Coefficients

	Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	1.768	.572		3.092	.003	.633	2.903
	packaging influences decision	.436	.075	.404	5.706	.001	.053	.476
	well package product	.210	.082	.213	2.220	.012	.272	.294
	Convenience packaging purchase decision	.210	.086	.213	2.120	.021	.284	.264
	product packaging reuse	.436	.075	.015	.153	.001	.170	.198
	Buy items way out store	1.768	.572	.238	2.225	.003	.023	.406
	Prefer items want entrance	.210	.082	.404	5.606	.002	.286	.397

a. Dependent Variable: prefer buy easily store

The results of value-T are considered by undertaking the ratio amongst β and the standard error. (e.g. $1.768/.572 = 3.092$). As long as standard error surges the value-t is dropped and as value drops, the significant value (value-P) is going to surge and in case value-P develops more than the standard of significance which is typically 0.05 then the forecaster becomes insignificant or not as much of imperative for the current model. At this point the significance value (the value-P) is lower than 0.001, 0.012, 0.021, 0.001, .003 and .002 the two of them are lesser than 0.05 which states that, the constant term along with the coefficient are noteworthy for model. Unvarying Coefficients of Beta: this can be estimated by undertaking standardized figures of all the forecasters and then proceed with the analysis of regression testing. In this framework, whatever the value of β be driven, that will be the Unvarying Coefficients of Beta. If there are greater than one forecaster, Standardized Coefficients of Beta will flourish the prominence of the forecasters. The greater value will be, the more significant forecaster as parallel to the one which has the less significant value. It demonstrates that 95% confidence Interval which lies amongst .633 and 2.903 it means examiner is 95% confident that minutest value for 1.768. may be .471 and extreme may be 1.501. As in the given model, which is simple linear regression model where there is only one forecaster, for that reason the enlightenment of lenience and VIF cannot be elucidated well. It will be debated when multiple regression model is under discussion.

CONCLUSION

The aim of the overall exercise basically was to gauge whether product packaging and placement of products in the marketplace influences the phenomenon of impulsive buying or not. A detailed review of previous researches as well as the fresh primary survey conducted for this particular report suggests that there is a

positive impact of the independent variables on the dependent variable. Even though considered a natural and a sub-conscious outcome, impulse buying nevertheless to a great extent is a marketer created response and the following result will be useful to the marketing strategists to gain greater and more precise results from their efforts.

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