

# Study of Consumer's Different Buying Behavior in Pakistan

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#### **Abstract**

The current study has been carried out to find out the impact of packaging on the buying behaviour of urban and rural consumers of twin cities of Pakistan which are, Rawalpindi and Islamabad. Questionnaire approach was used to get the data related to the research study. A total of 600 questionnaires were distributed; 450 were usable. The study variables were tested for their using Cronbach's alpha in SPSS. Means, the grand means and the ANOVA was used to analyse the data. The findings indicate that better the packaging of a product; better the customer is attracted to the product. There is no huge difference among the rural and urban consumers while choosing among different brands. Their buying decisions are based on the packaging of the products. The study was limited typnly the twin cities of Pakistan. Furthermore it is suggested that the sample size should be increased to have a better understanding and to generalize the results of the research. The study will help the manufacturer of the packaging and marketing to observe and perceive opportunities while targeting rural consumers. The paper focuses the buying behavior of rural and urban consumers of Pakistan. It helps the marketing managers to devise and implement the marketing strategy by focusing on behaviors of consumers.

**Keyword:** Spackaging, buying behavior, urban and rural consumers.

#### Introduction

According to Sagar and Kumar<sup>1</sup>a package is the appearance of any products. Packaging is the science, art and technology of enclosing or protecting product for distribution, storage, sales and use. It has described as a coordinated system of preparing goods for transport, warehousing, logistics, sales and end-use. It also encloses, protects, preserves, transports, informs and sells<sup>2</sup>. The object enclosed in the packaging may require protection from other things, shock, vibration, compression, temperature <sup>3</sup>. Some packages contain desiccants or oxygen observer to help extend shelf life, modified atmosphere or controlled atmosphere is also maintained in some food packaging<sup>4</sup>. Keeping the content clean, fresh, sterile and safe for the intended shelf life is a primary function <sup>5</sup>. Packaging can be used by the marketers to encourage potential buyers to purchase the product. Packaging designing has been an important and constantly evolving phenomenon for several decades. Packaging also refers to the process of design evaluation and production of packaging. well designed packaging as a marketing tool can make quality bashfulness and promotions <sup>6</sup>. Marketing communication and graphic design are applied to the surface of the package and the point of sale display. Packaging can play an important role in reducing the security risk of shipment. The package can be made with improved tamper resistance to deter tampering and also can have tamper-evident<sup>7</sup>. Kotler<sup>6</sup> says that many marketing people consider packaging as a fifth P; whereas other four P's are product, price, promotion and place. Packaging helps in defending the product once it is bought, recognition and encourage the consumer to buy the product<sup>8</sup>.

There are different categories of packaging by their functions: Primary packaging: It is the material that first envelopes the product and holds it. Secondary packaging: It is the packaging which is outside of the primary packaging. Tertiary packaging: It is used for bulk handling, warehouse storage and transportation purpose.

Packaging is used for several purposes: Contain product, defining the amount the consumer will purchase. Protect product from contamination, from environmental damage and from theft. Facilitate transportation and storing of products. Carry information and colorful design that makes attractive displays.

Buying Behavior is a Purchase decision making pattern that is a complex of needs and desires, and is influenced by factors such as the consumer's societal role (parent, spouse, worker, etc), social and cultural environment and norms, and aspirations and inhibitions. Consumer buying behavior is The process by which individuals search for, select, purchase, use, and dispose of goods and services, in satisfaction of their needs and wants.

Every Company should pay attention to the buying behavior for below reasons: It has a great impact on the companies' strategies and its success. The company should create Marketing Mix for customers satisfaction and then focuses on what, where, when and how consumers buy. Marketers better prediction to the consumers and their respond to the marketing strategies.

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Producers always use different modes to make their product more attractive in order to increase its sale. The producers whose brands are better known are the one who have positioned their product in a specific target market. But unluckily in Pakistan the scenario is quite different. People are more price conscious than attractive packaging. In rural areas mostly people want to purchase product in loose packing. They are not conscious about any kind of packaging. When the people are taking their buying decision, they give preference to packaging. Suppose if a consumer goes to a shop to purchase a product he/she will prefer the product's appearance in the form of packaging. That is the main reason why the shopkeepers mostly display that product in the front line which has an attractive packaging. In case of rural population, the people are living in very severe conditions. they do not have enough money to finance their luxuries so they do not emphasize on the product packaging. Another reason is that the people of rural areas are not well educated and are not health conscious so they don't hesitate to purchase the product having loose packaging as compared to hygienic products. In case of urban population these people are much hygienic, sensitive and health conscious consumers so they prefer to purchase packaged product.

This study aims to establish whether the residential background of consumers has a varying influence on their buying decision in rural areas as well as urban areas. Countryside and metropolitan customers differ considerably on numerous features of packaging. People living in rural areas have a feeling that packaging is pretty much helpful in purchasing as compared to urban counterparts, and they also believe that improving the package contains a higher quality product.

This research is examined the comparison of rural and urban users who focuses on packaging and their purchasing behaviors.

Literature Review: From the earliest times, where the human found the food, consumed it. All people who lived together made or used what they need. They were also self sufficient, so there was no need for packaging. Later people found they need containers to provided food so they used nature gourds, shells, and leaves. After that, the containers from natural materials such as hollowed logs, woven grasses and animal organs were fashioned. While other chemical compound were discovered, new material invented and it caused to new form of packaging.

There are four categories of packaging which includes paper packaging, glass, metals, and plastic packaging. Paper is categorized in to flexible, semi flexible and rigid packaging. Flexible packaging includes the paper sacks like animals food boxes, the plastic bags like chips and snacks and the paper and plastic sacks like the container we put our home purchases in it and carry them.

Semi flexible packaging is the paper board boxes that is the most usable packaging like milk boxes, nuts and cereal, many other food products, non food items and small house hold items.

As Soroka<sup>2</sup> mentioned that the rigid packaging is formed and made of materials which can hold the product and its accessories or components in place. This kind of packaging are including boxes, glass bottles and metal cans. Chinese were the first people who start to use of flexible packaging. At the early first or second century B.C They used sheets of treated mulberry bark to wrap foods. Then in 14th century paper introduced to England and later some other countries.

The history shows that making glass began in 7000 B.C. It was introduced to the world as a branch of pottery and it was first industrialized in Egypt in 1500 B.C. It is made of different materials, all materials were simply melted together and molded while hot. After that early discovery, the mixing process and the ingredients and the molding techniques have progressed and new shapes and decorations were created.

While Kenneth<sup>9</sup> said that in case of metal packaging ancient boxes and cups made from silver and gold were much too valuable for common use. Metal did not use as a common packaging until other metals were developed. One of the "new metals" that is used in packaging is tin. Tin is corrosion resistant metal and can use in a very thin layers so by this attitude it is so useful and economical.

Plastic is the newest packaging material in comparison with metals, glass and paper which is Discovered in 19th century. It was used in most of the situation so it became very important and popular material. Several plastics were discovered. Also none of these materials became practical for packaging until the 20th century. One of the most commonly used plastics is polyethylene terephthalate (PETE). This material only became available for container during the last two decades with its use for beverages entering the market in 1977. By 1980s, food and other hot fill products such as jams could also be packaged in PETE<sup>9</sup>.

Packaging is introduced as an essential element of marketing so that according to recent studies by the point of sale and advertising Institute (POPAI), imply that 70% of consumer purchasing decisions are made at point of sale <sup>2</sup>. Packaging is a very impressive instrument to influence on purchas motivation<sup>10</sup>, Dabholkerand Thorpe<sup>11</sup> indicated that consumers have a better feeling by packaging cause they think it is very useful in identifying and detection goods.

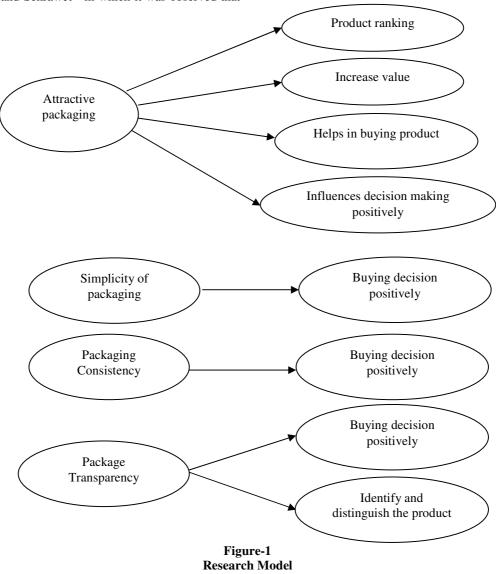
Packaging is now in a period where communication and display their valid values added yet. This package should be promoted, emoted, idealized and improved the content. Some specialists argue that now a days there is an increasing demand for packaged products and the passage of bulk purchase because most of the people pay more attention to their health and hygiene. By developing the technology and people's tendency toward education specially between housewives, this procedure has moved to buying branded products, tea, ketchup and noodles. a packaging must have the ability to stand out from

other packages by the use of different colors, shapes, copy, brands, logos or additional features. Le Sancy soap Hindustan Lever was the company with its unique form of bean, which was wrapped in transparent polyethylene to display its shape and this kind of unique packaging has a great effect on purchase .This research argues that verbal stimuli, people tend to focus on the commonalities between the options, but in visual stimuli, people focus on distinct characteristics of the options so the main difference between options can be of these two kind, which are seen less comparable as a replaced alternative <sup>11</sup>.

The package is a good medium to carry pictorial stimuli to the point of purchase where it matters most<sup>12</sup>. Important labeling and packaging elements in today's marketing are accuracy, brevity, comprehensibility, durability, good visibility and multilingual content for warning and instructions for the disposal of containers. These findings fall in line with the findings of Kunduand Sehrawet<sup>13</sup> in which it was observed that

the label and the seal are important from marketing point of view. Further, approximately 70% of the respondents in another study<sup>14</sup> reported that labels helped in the purchases; the packaging feature that influenced most of the respondents.

The role of packaging in improving the operation of companies is undeniable although most of the efforts to demonstrate it normally fail. Similarly, these efforts indicate the Relevance between procurement and marketing with "product", "price", "place" and "promotion" variables in the "marketing mix", so, apply a Significant influence on consumer satisfaction. The traditional view point could not fully represent the multifunctional nature of packaging by demonstrate the relationship between the product and greater part of logistic activities 15. Now a days choicing the kind of packaging is relared to the cost reduction and we can see its affect in many companies and industries.



## Methodology

Detailed questionnaire covering 15 variable was developed. In addition to general information about the respondent, four key issues were addressed in the questionnaire on the packaging as a marketing tool i. Package as marketing component, ii. Functioning of a Package, iii. Packaging and environment, iv. Other packaging elements. As part of a four-part questionnaire to study the buying behavior of consumers depending on the package.

56 variables which were related to packaging were utilized in detailed questionnaire. This questionnaire was consis of four basic elements related to the packaging, namely marketing tool, package functions, packaging and the environment and other packaging elements. Since only one of the four parts of the questionnaire was related to the consumer behavior in terms of packaging, the other three sections were not taken into account in this study. Therefore, only 15 variables from a total of 56 variables were selected and analyzed. In this study, All responses to the variables were obtained on a 5-point scale (point 5 strongly agree with the statement and point 1 strongly disagree). A multistage sampling method was used for the study. The examination was carried out in Rawalpindi division particularly in areas such as Hassan Abdal, Wah, Taxila, Sangjani, Ternol Ali pure Farash, Humak, ChakShahzad, Baharakoh and Islamabad. The survey was conducted in the cities / villages randomly selected villages. For this study we choose 16 villages with eight villages having less than 5000 residents whereas remaining eight cities with more than 5000 residents. While taking the sample, it is very carefully analyzed the literate population should primarily be addressed so that to get the right answer and educated. During the survey, people of different views, namely the opposite sex, different educational backgrounds, residential areas and etc, were considered in the to

create heterogeneity in the response

A total of 600 questionnaires (300 villages and towns) were distributed among the respondents. Of this total, 513 questionnaires have been received out of which 450 were usable and 63 were incomplete. From Our 450 usable questionnaires, 285 respondants belongs to urban area whereas 165 were from rural areas. Details of the respondants are given in table-1.

The study based on the collection of primary data on the size of the sample population is 450, including 165 from the residence in rural and 285 urban residence.

The studied variables were tested for their reliability and to check its reliability, we use Cronbach's alpha in SPSS. The best reliability is 0.6 and above. The selected variables show the reliability of 0.632 which is considered satisfactory.

Respondents in the study are from rural and urban residential context. Means, the grand means and the ANOVA was used to analyze the data.

## **Results and Discussion**

Results are based on primary data of 450 responses from both urban and rural residential areas. Table 3 presents the results of analysis of variance indicate significant differences between means of 255 men interviewed, 80 were from rural and 175 urban population. Almost equal number of women was selected from the two residential areas, 30 women in rural areas and 165 from urban areas. Various demographic variables were considered in the selection of the sample, such as age, residential background, sex, education, occupation, economic circumstances, the role of purchasing respondents and the size of the family, etc. the details of the same can be seen through table-2.

Table-1 Detail of Respondants

	2 COM OF THE POSITION										
Residential Rawalpindi./ Islamabad Divisions											
	Background	Ternol	Sangjani	Taxila	H.Abdal	A.Pur	Wah	C.Shazd	B.koh	Humak	Total
	Rural	17	29	15	30	16	09	17	21	11	165
	Urban	23	12	43	31	32	65	34	26	19	285
	Total	40	41	58	61	48	74	51	47	30	450

Table-2
Demographic Details

	Demographic	Ger	ıder	Age Group			Work Specification			Education						Total	
Residential Background	Categories	M	Ħ	18-25	26-35	36-40	40+	Govt	Semi	Private	Illiterate	Primary	Matric	Inter	Graduate	Master	
	Rural	80	30	63	27	43	26	28	52	64	11	23	38	16	32	37	165
	Urban	175	165	122	88	36	45	69	102	135	12	24	40	56	76	85	285
	Total	255	195	185	115	79	71	97	154	199	23	47	78	72	108	122	450

Table-3
Summary results of two-way analysis of variance

Variables	Area division effect (d.f. = 3) F-value	Residential background effect (d.f. = 1) F-value	Interactive effect (d.f. = 3) F-value
V1 Package adds value	4.243 (0.005)	1.897 (0.169)	7.085 (0.000)
V2 Package helps in buying	12.808 (0.000)	12.639 (0.000)	4.064 (0.007)
V3 Better packaged products are better	5.772 (0.001)	3.451 (0.063)	0.225 (0.879)
V4 Strong package influences positively	1.906 (0.127)	0.246 (0.620)	4.581 (0.003)
V5 Ease of carriage influences positively	2.701 (0.044)	6.867 (0.009)	6.042 (0.000)
V6 Light weight of package influences positively	3.304 (0.020)	1.228 (0.268)	7.456 (0.000)
V7 Simplicity of package influences positively	2.045 (0.106)	5.881 (0.015)	7.276 (0.000)
V8 Consistency in package of different product influences positively	1.557 (0.198)	5.312 (0.021)	15.570 (0.000)
V9 Transparent package is preferred	20.087 (0.000)	1.419 (0.234)	3.095 (0.026)
V10 Ease of storage influences positively	3.054 (0.028)	0.009 (0.924)	2.009 (0.111)
V11 Package helps in identifying and distinguishing product	15.710 (0.000)	2.781 (0.096)	1.713 (0.162)
V12 Package helps in avoiding pilferage	7.257 (0.000)	1.881 (0.170)	4.912 (0.002)
V13 Label is an important part of package	1.602 (0.187)	5.278 (0.022)	4.025 (0.007)
V14 Package misleads buyers	4.455 (0.004)	4.450 (0.035)	0.829 (0.478)
V15 Package is an environmental hazard	3.360 (0.018)	4.789 (0.029)	12.942 (0.000)

Rural and urban consumers do not vary significantly (P\_0.169) considering the packaging as an added value to the product.

The residential background of people influences the respondents to consider buying useful packaging. Urban residents consider most useful package in the purchase of goods than their rural counterparts.

However, from this analysis, we can conclude that buyers find it helpful to buy things with packaging. People in different divisions also attach a different meaning of useful packaging to buy.

By data analysis we can see that the independent variable has a significant impact on consumers. We can see a significant impact on the rural and urban residential buying behavior because their intent has changed according to the packaging of the product. They give priority to the products with good and better packaging materials and designs. also we see that urban area residential have relatively higher demands for the products of good packaging as compared to the rural area residential because of the better product quality and many more important factors.

The effect of residential substance and effect of the division of the area does not discriminate between different categories of consumers saying that strong packaging influences purchasing decisions. In addition, the interactive effect is significant. However, strong packages influence on purchase decisions.

Ease of transport packaging at the point of sale instead of consumption varying influence on residents of different origins  $(P\_0.009)$  and division of the region  $(P\_0.044)$ . The Interactive effect  $(P\_0.000)$  is also important. Easy transport of parcels at the point of sale instead of consumption has a positive influence on rural populations (x  $\bar{}$  = 3.79), but they are less influenced than their urban counterparts (x  $\bar{}$  = 3.92). However, it is an important factor to influence the buying behavior.

The influence of the variable 'lightweight package "differ significantly on the basis of administrative divisions ( $P_0.020$ ) and interaction ( $P_0.000$ ). Overall, we can say that the lightness of the package influences on buying decisions positively ( $x_0^- = 3.51$ ).

The results of variance (P  $\_$  0.015) indicate that rural and urban consumers vary in their behavior regarding the influence of the simplicity of the packaging. The simplicity of the packaging (x  $^-$  = 3.64) positively affects consumers. Rural respondents (x  $^-$  = 3.50) are relatively less influenced by the simplicity of the packaging than urban consumers (x  $^-$  = 3.76). The Interactive effect (P  $\_$  0.000) is also important.

The residential background effect ( $P_0.021$ ) is significant and indicates that the rural ( $x^- = 3.38$ ) and urban ( $x^- = 3.48$ ) consumers behave differently on the coherence variable "in packaging for various products of a company. "In addition, all consumers, regardless of their origins are positively influenced by the consistency in the package. The interactive effects of background residential and administrative division ( $P_0.000$ ) are still very significant for this dependent variable.

The residential background of people (P \_ 0.234) does not significantly influence the impact of the transparency of all their

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purchasing behavior. However, the purchasing behavior of respondents varies significantly (P \_ 0.000) in the various administrative divisions of this variable. Rural and urban consumers variables do not differ significantly.

(P \_ 0.924) on the variable storage facility. Table 3 shows that the ease of storing packaged affects equally positively to both rural and urban people. However, it is worthed to be mentioned here that the influence of this variable differs significantly (P \_ 0.028) according to the divisions of the region. Hassan Abdal Consumers (x = 4.06) are relatively more affected than other regions by the functionality of the package feature, namely the storage facility.

The residential background of people does not have the differential impact (P \_ 0.096) on consumers when considering how packaging identifies and distinguishes the goods. People from different parts of the region (P \_ 0.000) differ significantly on this variable.

Overall, consumers are influenced by packages that help to identify and distinguish the goods.

The effect of residential background (P \_ 0.170) indicates that the rural and urban consumers do not differ significantly on the variable "package prevents pilferage. However, there are strong differences between the divisions of the region (P \_ 0.000). Scores variance show that people accept that packaging helps to prevent pilferage (x = 3.96).

The interactive effect of residential background and administrative division (P \_ 0.002) is still very significant for this dependent variable.

Residents of different origins differ significantly (P \_ 0.022) considering labeling as an important part of the package. Interaction residential background and administrative division (P \_ 0.007) significantly different on the "label in the package." Etiquette is an important part of the package ( $^{-}$  x = 4.33) which is obvious from the variance scores. Moreover, rural populations have less appreciation for the label as an important part of overall compared than their urban counterparts.

Background effect (P \_ 0.035) indicates that people's behavior varies with respect to the role of packaging in misleading buyers. Effect of division of the region also stands (P  $\_$  0.004) on this dependent variable. The results show that rural residents (-x = 3.70) strongly believe that buyers of urban consumers erroneous packets (x = 3.53).

The variable "package is a danger to the environment" differs considerably between the different residential areas

(P = 0.029). Against the general perception (x = 3.85), urban dwellers have relatively less support (x = 3.77) compared to their rural counterparts (x = 3.94).

## Conclusion

This study aimed to establish a comparison of the responses of rural and urban markets on the packaging in the twin cities of Islamabad and Rawalpindi, Pakistan. From the responses it is obvious that urban area consumers have a strong purchasing power of the products and better and attractive packaging over the rural areas because they prefer the best quality products. Also the marketing of the products have a strong impact on the buying behavior of consumers as people intend to buy things which they see mostly on the TV commercials and sign boards. Labeling also has a significant impact on the buying behavior of urban areas whereas it has the less influence on the rural area residents. It is the first kind of study in the vaccinity of Islamabad, Pakistan which measures the behavior of consumers related to the packaging. Furthermore, a vast research is needed in the area of packaging and its sub categories. Also future research could be done on national or international levels by increasing the sample and population areas to have a better understanding about the packaging.

**Practical limitation:** The practical implication of the study is to focus more on the behavioral aspects of the marketing strategies and also on the packaging to attract the consumers of both rural and urban areas to increase the brand sales. Furthermore the best marketing promotion plans should be devised to better implement the market strategies and a market analysis should be done on a regular basis to achieve the consumer's motivation and loyalty towards the brands as well as to have the consumer's satisfaction and trust on the brand.

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