

## PACKAGING AND CONSUMERS' BRAND LOYALTY OF FAST MOVING CONSUMER GOODS

BY

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### ***Abstract***

*This study examines packaging and consumer brand's loyalty of fast-moving consumer goods in Calabar municipality, Cross River State. Cross sectional survey research design is adopted, while primary data are obtained from 169 respondents with the aid of a structured questionnaire. Data analysis is done using multiple regression in the Statistical Package for the Social Sciences (SPSS 27). The findings of the study reveal that packaging colour/design, material sizes, and information has a significant effect on consumer brand loyalty of fast-moving consumer goods. Therefore, the study recommends that firms should bring eye catching colours/design, different packaging sizes to attract customers and information about the product ingredient, direction for use, firm's head office, possible branches and outlets for distributions in the package.*

***Keywords:*** Packaging, colour, material size, information and brand loyalty

### **Introduction**

The consumer marketplace is inundated with an overwhelming number of products, making it increasingly challenging for brands to secure and maintain customer loyalty. It is intriguing to note that within an average supermarket boasting, a staggering 15,000 to 17,000 items, a shopper would pass by around 300 products per minute (Kotler & Armstrong, 2017). Amidst this vast selection, what compels a consumer to remain faithful to a particular brand? The answer lies in various factors that influence the consumer purchasing process, including price, place, previous experience, and packaging (Shafiq, Raza & Zia-ur-Rehman, 2011). Traditionally, the

differentiation of brands relied heavily on pricing and product placement (Etuk, Awah & Akpan, 2024). However, the globalizations of competition, market saturation, and technological advancements, have heightened consumer awareness. Consequently, relying solely on price and placement is no longer sufficient to foster brand loyalty. According to Woodside and Summers (2008), packaging has emerged as a crucial strategic element in brand differentiation and identity. The design, quality, shape, product information and colour of packaging have a profound impact on consumer behaviour. An effective packaging establishes a clear and unique identity, while building an emotional connection with consumers; as it has the potential to generate repurchases and foster loyalty.

The significance of packaging in brand loyalty is further emphasized by the fact that the packaging industry in America alone is valued at \$118 billion. Packaging, which was originally intended for the protection of goods and perishables, has evolved into a multidimensional concept encompassing branding, information dissemination, convenience, sustainability, and security. Some of the world's most renowned brands have achieved loyal customer bases through distinctive and recognizable packaging. Coca-Cola's red cans and curved bottles, Starbucks' white cups, adorned with a green mermaid logo, and Nike's bright orange shoeboxes are iconic examples of this phenomenon.

Nigeria's fast-moving consumer goods (FMCG) market faces complex consumer dynamics due to variations in preferences across the country's diverse population and remains the major influence of socioeconomic factors on consumer choices. Current industry practices around packaging tend to be based more on intuition and imitation rather than a deep understanding of how specific packaging attributes resonate with and influence Nigerian consumers. These knowledge gaps create obstacles for businesses aiming to enhance packaging's brand-building capabilities. Consequently, this research seeks to investigate the influence of packaging (colour/graphics, material size and packaging information) on consumer brand loyalty within Nigeria's FMCG market. The study aims to provide Nigerian FMCG businesses with practical recommendations on optimizing their packaging strategies and designs to build stronger brands. The findings seek to advance both academic understanding and industry practice around

the use of packaging as a branding tool within Nigeria's distinct FMCG market context (Uford, Charles & Etuk, 2022).

## **Literature Review**

### **The Brand Association Theory**

Brand associations are one of the most important drivers of brand equity as they shape consumers' perceptions and attitudes toward the brand (Keller 1993). Visual impressions and cues from the branding like logo, colors, and packaging design help form associations in consumers' minds that link to the brand. Aaker's (1991) model identifies 11 types of associations that marketers aim to create. They are: product attributes, intangibles, customer benefits, relative price, country of origin, competitors, product category, lifestyle, celebrity endorsement, target customer, and product usage. Strong, favorable, and unique associations imply that the brand is superior and enable brand recognition, inferences about quality, and equity. The brand association theory provides a framework to analyze how packaging attributes shape the positive or negative association's consumers' form. In conclusion, a comprehensive understanding of brand associations and the types, sources, and effects is crucial for marketers aiming to build strong brand equity and loyalty. Further research is warranted into how packaging design as a non-product attribute impacts brand association; a gap that this study fills

### **Packaging and FMCGs**

Packaging can be defined based on its logistics or marketing function, where the logistical function of packaging is mainly to protect the product during movement through distribution channels, and the marketing function provides an attractive method to convey messages about product attributes to consumers at the point of sale (Ezekiel, Anyadighibe & Ndem, 2014) Fast-moving consumer goods are preference products with a lot of market competition. They are everyday consumer items that have a high turnover rate and relatively low cost. They include: staple food and beverage products, toiletries, cosmetics, cleaning products, and other household items. FMCGs have the following characteristics:

- They are non-durable - meant for short-term or disposable use.
- They have a high sale volume and rapid stock turnover. Consumers purchase them frequently.

- They have a low unit price compared to more expensive durable goods.

Because of these characteristics, FMCGs are considered preference products rather than necessity products, meaning that consumers have many options and do not need a specific brand to fulfill the basic function, and brand preference and loyalty are not inherent, but must be created through marketing and brand associations. This also makes consumer choice dependent on non-functional attributes like; branding, image, packaging, and perceived value rather than just functional performance.

### **Packaging Colour/Graphics**

In the modern-day business environment where visuals stimulate rapid decision making of consumer, the art of persuasion through product packaging has never been more critical (Ali, 2023). The organizations are constantly trying to outdo each other in bombarding customers with various choices. For a brand to get the attention of a customer takes just seconds and it takes the same seconds for the same brand to be relegated (Etuk, et al., 2022b). The packaging design serves as a silent salesperson on the store shelf, competing for attention and enticing consumers to choose a particular product over its competitors (Fastercapital, 2023). Ezekiel, Anyadighibe, & Ndem (2014), in their study on “The effects of packaging on consumer choice of cosmetic products: A case of University of Calabar community”, assert that packaging colour and materials had effect on the patronage of cosmetic products by students.

Ares, Deliza and Gimenez (2010), conduct research on 60 participants in Uruguay in buying chocolate desserts in which, packaging graphics & colours were found to be the highest significant regardless of consumer involvement with the product. This is why when consumers stroll through the store aisles or browse through an online store, the first interaction they have with a product is visual (Adcock, 2023 & Goldenwest, 2024).

Innovative product packaging plays a vital role in the consumer buying behaviour as an eye-catching packaging material to create lasting impression during the time of purchase and consumption (Mensah, et al, 2020 & Hussain, et al, 2015). Thus, this study hypothesizes that:

H<sub>01</sub>: Packaging colour/graphics has no significant effect on consumer brand loyalty of FMCGs.

### **Packaging Material Size**

Packaging material size is the physical material used to wrap the product. This can be: paper, polyethene, nylon among others. Packaging is important medium to save, protect and transfer of the product (Akhtar et al, 2016). Packaging is required to foster consumer interest in buying (Evanita & Trinanda, 2018). In the present marketing environment, packaging is considered important, related to product image and consumer views on product quality (Ratnapuri et al, 2021). The size of a product package can attract a consumer to the product and also repel a customer. Most customers prefer to handle packaging that is sizeable and carriable depending on the product they intend to buy. Hence, if the materials used do not help achieve this aim, then it may lead to cognitive dissonance, which may translate to brand disloyalty and a disloyal customer will not carry out repeat purchase (Dhurup et al, 2014).

Spink, Singh and Singh (2011) investigated if consumers could assimilate and understand the information written on the container of the product in the UK with 233 participants. They found that packaging information did affect the consumer purchasing behavior and sometimes wrong interpretation of information on the package can affect the selling of any product. Most of this kind of packaging materials are flexible because of the convenience it provides for consumers and manufacturers (Munoz, 2020, Unique, 2017, & Riley, 2020). Consumers tend to be loyal when they realize that the product inside the package reflect the size of the package. Thus, this study hypothesizes that:

H<sub>02</sub>: Packaging material size has no significant effect on consumer brand loyalty of FMCGs.

### **Packaging Information**

Packaging information is the details such as product features, ingredients, nutritional information, usage instructions, branding elements, promotional messages, multimedia information, password, (Sutrisno et al, 2021, Nie, 2019, Sedlacekova, 2017, Abdalkrim & Al-Hezat, 2013). The distinctive information on the package makes it easy for customers to differentiate product. Packaging information gives details about the product which encourages patronage (Etuk, et al., 2022a). Be it industrial or consumer goods, packaging information plays a vital at the point of sales (Perez,

2022, Udom & Edwin, 2021, Echem & Lulu-Pokubo, 2021, Echem & Lulu-Pokubo, 2021, Wyrwa & Barska, 2017). Consumers can understand the usefulness of the new and existing products. Thus, this study conjectures that:

H<sub>03</sub>: Packaging information has no significant effect on consumer brand loyalty of FMCGs.

### **Brand Loyalty**

Brand loyalty is the biased behavioural response expressed over time by some decision-making unit with respect to one or more alternative brands out of a set of brand and is a function of psychological process and emotional response (Kopp, 2023, Anyadighibe, et al., 2021, Vaxjo, 2015 & Russell-Bennett & Parkinson, 2015). Brand loyalty from extant literature has been approached from just two dimensions usually as behavioural and attitudinal (Aandleeb, 2016; Ibok & Etuk, 2013).

### **Research Methodology**

A cross-sectional survey research design was employed for this study. A cross-sectional survey research design was chosen for its ability to provide a snapshot of the current relationships between relevant variables. It is efficient and cost-effective as recommended by (Etuk, Uford, & Udonde, 2023). The study area for this research is Calabar Municipality, Cross River State, Nigeria. The research adopts the Topman formula for this study as the population of the study is not known. A pilot survey of 40 respondents was be carried out on consumers of fast-moving consumer goods. 35 responded positively while 5 responded negatively. Hence, the top man formula is deployed to calculate the sample size of 169 respondents. A convenience sampling design was used for the study and data were collected through structured questionnaires administered to respondents within the study area. A 5-point Likert scale questionnaire was administered to gauge respondents' attitudes, opinions and perceptions. The instrument captures respondents' demographic characteristics including age, gender, marital status and monthly income. Questions evaluated packaging and brand loyalty for the surveyed toothpaste brands. Respondents' opinions will be measured on a 5-point scale: strongly disagree, disagree, neither agree nor disagree, agree, strongly agree.

## Result and Discussion of Findings

**Table 1: Model Summary showing the effect of packaging on consumer brand loyalty.**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.733 <sup>a</sup>	.538	.533	1.616

a. Predictors: (Constant), PI, PC, PS

**Table 2: ANOVA<sup>a</sup> result showing the effect of packaging on consumer brand loyalty**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1113.006	4	278.251	106.507	.000 <sup>b</sup>
	Residual	956.180	366	2.613		
	Total	2069.186	370			

a. Dependent Variable: BL

b. Predictors: (Constant), PI, PC, PMS

**Table 3: Coefficients<sup>a</sup> result showing the effect of packaging on consumer brand loyalty.**

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.285	.574		5.720	.000
	PC	.278	.040	.253	6.941	.000
	PMS	.126	.011	.518	11.953	.000
	PI	.255	.044	.229	5.573	.000

a. Dependent Variable: Brand loyalty

## Interpretation

The multiple regression analysis was done to test the three hypotheses formulated for the study. Table 1, 2, and 3 elucidate that the resultant model is highly significant. The R value (73.3 per cent) in table 1 explains the correlation between the dependent and the independent variables. The R-squared indicates that 53.8% of the total variation of the dependent variable can be explained by the independent variables and 46.2% of the total variation is left unexplained by the independent variables. This could be



attributed to other variables that have not been captured by the model. The adjusted R-square entails that 53.3% of the dependent variable is accounted for by the independent variables. The overall P-value of the model shows that there is a significant effect of the independent variable (packaging) on the dependent variable (customer brand loyalty) as the P-value (.000) is less than .05. Furthermore, the last table perspicuous the individual significant effect of the independent variables on the dependent variable. The result shows that packaging colour/design, packaging material size and packaging information significantly affect the dependent variable positively.

### **Discussion of Findings**

For hypothesis one, the study revealed that there is a significant effect of packaging colour/design on consumer brand loyalty of FMCGs in Calabar municipality, Cross River State. This result is in consonant with the study of Widjayanti (2018). The researcher found out that there is significant effect of packaging colour on customer patronage in Indonesia and Bangladesh.

The second hypothesis, showed that, packaging material size, have a significant effect on customer brand loyalty. This finding aligns with the study of Hussain et al (2015), whose objective was to find out those elements behind the success of product packaging. The authors found out that packaging size has a positive significant effect on consumer perception of a particular brand. This finding also agreed with the study of Rasheed et al (2015), the researcher found out that packaging size has a significant effect on consumer brand loyalty. The study therefore recommends that marketing practitioners should be more interested in developing “committed” relationships between their brands and customers through attractive and unique package material size.

Lastly, hypothesis three shows that there is a significant effect of packaging information on customer brand loyalty. This finding is in synchronization with the study of Hussain et al (2015), which found out that packaging information has a significant effect on customer brand loyalty. The finding also aligns with the study of Gammudi (2016), which found out that packaging information has significant effect on consumer brand loyalty.



## Conclusion

The main aim of every profit-making organization is to outdo its competitors, and one of the way to do so is by offering superior quality of product than competitors. This will ultimately lead to organizational profit and increase in market share. For this to be achieved, the product must win the heart of the consumers to initiate repeat purchase. If the consumers are satisfied, they will continue to use the product and this will bring about brand loyalty. From this study, the findings have shown that packaging colour/design, information and material size have significant effect on consumer brand loyalty. This result aligns with extant literature that proves that these variables significantly affect brand loyalty. The study anchors on a theory and proper statistical technique was used to analyse the data that was gathered from the field. The researcher based on the findings of the study offered recommendations.

## Recommendations

1. Organizations should pay very keen attention to packaging colour/design as this can cause consumer brand loyalty. Firms should bring eye catching colours/design on their packaging to attract more purchase of the product from a new customer and existing customers.
2. Packaging size should be given so much attention by the organizations as this attract customer and further cause brand loyalty. Products should be produced in different packaging sizes to further attract the customers.
3. Lastly, organization should be detailed in their packaging information as this also attracts and keep customers. The core details about the product ingredient, direction for use, and information about the organization head office and possible branches and outlets for distributions.

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