

Role of Packaging in Consumer Buying Behavior of Cosmetic Product

By

Nikhil Dhariwal

*Dissertation submitted for the partial fulfillment of the
MBA Pharmaceutical Management*

Academic year, 2016-2018



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TO WHOM SO EVER MAY CONCERN

This is to certify that **Mr. Nikhil Dhariwal** student of MBA Pharmaceutical Management from The IIHMR University, Jaipur has undergone internship training at **IMS HEALTH** from **1-feb-2018 to 12-may-2018**.

The Candidate has successfully carried out the study designated to him during internship training and his approach to the study has been sincere, scientific and analytical.

The Internship is in fulfillment of the course requirements.

I wish him all success in all his future endeavors.



Dr Ashok Kaushik
Dean, Academics and Student Affairs
The IIHMR University, Jaipur



Dr. Sandeep Narula
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Completion of Dissertation from IQVIA

The certificate is awarded to

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in recognition of having successfully completed his Internship in the
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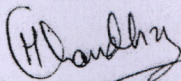
“Role of Packaging in Consumer Buying Behaviour of Cosmetic”

Date- 1st Feb,2018 – 1st May,2018

IQVIA Consulting and Information Services India Private Limited

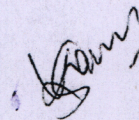
He comes across as a committed, sincere & diligent person who has a strong
drive & zeal for learning

We wish him all the best for future endeavors



Project Supervisor





Principal Public Health

THE IIMR UNIVERSITY, JAIPUR

CERTIFICATE BY SCHOLAR

This is to certify that the dissertation titled 'Role of Packaging in Consumer Buying Behaviour of Cosmetic Product' and submitted by (Name) Mr. NIKHIL DHARIWAL Enrollment No. IIMR-U/02/2016-18/0073 under the supervision of Dr. Sandeep Narula for award of MBA in ~~Hospital and Health/Pharmaceutical/Rural Management in Health and Hospitals~~ of the University carried out during the period from 1st Feb, 2018 to 12th May 2018 embodies my original work and has not formed the basis for the award of any degree, diploma associate ship, fellowship, titles in this or any other institute or other similar institution of higher learning.

Nikhil Dharwal
Signature

Introduction

India is 2nd most populated country in the world. With huge population scope for every sector emerging. Demand & supply through which every economy affected. Likewise, many component effects the sales of the product. Thus, every consumer has their own opinion about the color, material, size, design, information about the product. Pharma industries sector was the 2nd developing sector after it. Thus, every company concern with the quality & quantity about consumer preference. Quality department- it does test label testing, batch number, information about the product which is highly in demand with respect to consumers. With increase in consumers the competition among the pharma industry also increases. Every organization concern and aware about its competitor regarding its strategy. Quality and packaging in company choose size, color with preference to its population.

The purpose of a study just to find the opinion of consumer with reference to product packaging. We conduct a survey to understand the opinion & the role of size, design, color, brand, and environment. The role of these things or how these will affect the sales of a company. Opinion about the cosmetic product differs from individuals and affecting the buying behavior. Consumers are more attractive towards the consumer-friendly nature of the cosmetic product. It focuses on the quality, quantity, validated parameters, accuracy, precision, system suitability, packaging elements and robustness of the product.

Types of Cosmetic product

Shampoo, cold creams, fairness creams, conditioners, lipsticks, mascara tubes, foundation creams, lip balms, moisturizers, eye colors, skin care products, oral care products, and deodorants.

Packages form

1. Blister packs
2. Bottles
3. Timed dosing
4. Solid dosage forms like capsules, tablets, suppositories etc. are commonly packed in blister packs. They are pre-formed plastic/ paper/ foil packaging used for formed solid drugs. The component of a blister pack is a cavity or pocket made from a thermoformed plastic.
5. Bottles are commonly used for liquid pharmaceuticals as well as formed tablets and capsules. Glass is most common for liquids because it is inert and has excellent barrier properties. Prescription bottles are of many styles and shapes of prescription bottles.
6. Some pharmacies are now offering timed dosing packets for medications. They put a certain number of pills and print the date and time that the drugs are to be taken. It is used for people with multiple medications that are taken at different times.

Functions of Packaging

1. Protection against the contamination
2. Color
3. Label design
4. Dispose easily
5. Attractive in nature
6. Affordable in use
7. Check the economic value in the market of supply
8. Minimize “out of stock” crash purchase

Labels

They are for getting information about the product whether it is cosmetic, medicated, non-medicated and nutraceuticals. Labels are essential part of packaging the products in the form of various designs and look. It varies with products in the market. In Indian market, labels are important part of products and take care of the essential elements in the packaging of the product. Labeling is another significant means of product identification like branding and packaging. Labeling is the act of attaching tagging labels. It contains ingredients, nutritional information, or usage warning information (FDA). For example, a cosmetic label for lip balms, moisturizers, foundations, eye color palettes or any other cosmetic product, we can create the perfect label to meet the customer needs. We have extensive experience creating **unique, durable, eye-catching labels, fragrance, beauty aids** across multiple types of cosmetic product lines.

Market for Buying of Cosmetic product

1. Online pharmacies
2. Netmeds.com
3. Pharmacy stores
4. Apollo stores
5. Medico stores
6. General stores

Design of Labels

All beauty and hygiene products held for sale of labels on them tell us more about the packaging. Cosmetic products are sold in USA need to include detailed labels that follow the rules of labeling set by The Food and drug Administration (FDA). The FDA also sets rules for how and where to layout the required information on the label. They specify the optimal font size, in which order to list ingredients, what to place on the principal display panel, what can be included on information labels etc. Cosmetic producers are urged to read through the FDA’s requirements for proper labeling with great attention and label their cosmetic products accordingly. The FDA has determined that the claims include not only what you say on the label but what you say in brochures or advertising materials.

Types of Labels

1. Woven labels
2. Printed labels
3. Die cut labels
4. Bead labels
5. Pillow labels

Features of packaging

- Assurance of consumer safety
- Assurance of the efficacy of the cosmetic product through the intended shelf-life
- Uniformity of the cosmetic product through different production lots
- Control of degradation of the cosmetic product from moisture, heat etc.
- Prevention of microbial contamination, sterility etc.

Packaging

It helps in consumer safety, care, maintaining the efficacy, uniformity of the cosmetic product. It is manufactured and produced in industry to get the well-furnished product. The outlets are more focusing on the availability, use, eco-friendly of the cosmetic product. Cosmetic products are packaged with highly sophisticated instruments so that they are easily available to the consumers. Today consumers are more focused on the consumer-friendly nature of the cosmetic product. Packaging plays significant role in the protection, safety and designing of the product. It helps in storage, distribution, sale and use of the product. "It is described as system of preparing goods for transport, logistic, warehouse, sale and end use. Package is also associated with label of the product.

Purpose of packaging

1. Physical protection
2. Barrier protection
3. Containment
4. Information transmission
5. Marketing
6. Security
7. Convenience
8. Portion control

Types of Packaging

1. Primary package
2. Secondary package
3. Tertiary package

It is the material that first envelops the product and hold it. It is the outside of the primary packaging. Its prevent the pilferage of the package. It is used for bulk handling and

transport shipping. It includes trademarks, symbols, certification labels, proof of purchase etc. which helps in the storage of the product. It helps in recycling of the product and re-use of the product. It consists of bar codes, RFID labels in logistics and retailing.

Symbols used for hazardous materials like



Flammable liquid



Explosives



This way up



Fragile material



Keep away from water

Types of Cosmetics:

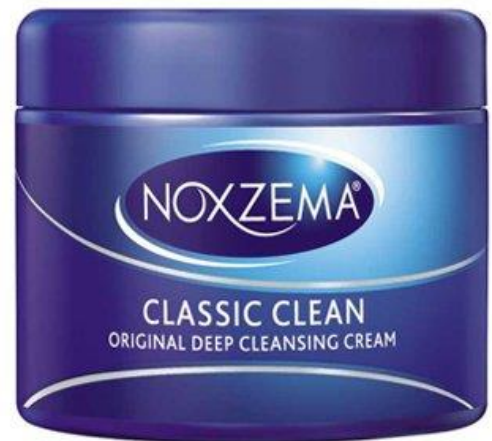
1. Shampoos



2. Moisturizers



3. Cold Creams



4. Lipsticks



5. Eye colors



Package development

Package design processes often employ rapid prototyping, computer-aided design, computer-aided manufacturing and document automation. It includes project planning, project management and quality management.

The three R's of reduce, reuse and recycle are part of the package development. It is the sustainable process in the packaging material of the product.

Cosmetic Packaging Background

It helps in enhancing features on our bodies, may be hair, nails, skin, eyes, or lips. Every cosmetic product is packaged in a way to purchase it. The package industry designs by changing the way that look in the market and growing cosmetic industry. When shopping cosmetic, it is easy for a product to stand on its beautiful packaging.

The Multinational corporation are dominating towards the packaging of the cosmetic product.

Products are:

CoverGirl, Herbal Essences and Gucci, Urban Decay, Lancôme, MAC, Clinique etc.

The revenue it is covering is about \$170 billion a year, \$ 50 billion a worldwide package cost in industry.

Quality Comparison

Plastic bottles and are always in beautifully printed paperboard boxes.

It is based on the excuse when they are given a reason for accepting it

In packaging, consumers are on package, truthful, consumers willing to believe it as consumers are accepting the suggestions as they are preferred.

Some people are not always looking for high quality but rather for a good deal at a lower price. Cosmetic products must be packaged appropriately for their price point.

Why Certain Products are Chosen over Others

Consumers go towards the products which are in demand and have dependency on supply of the cosmetic product. The reason behind in the study helps in purchase of cosmetic product and package itself. When package is heavier, it gets more longer time to last. They desire highly quality or higher price that makes them feel as it they are purchasing a well-deserved product.

Features about the consumers:

Loyal, truthful, supporting, disgusting with package, strategic achievement of the product.

Consumers cover in the study:

Professional, Graduate and Literate consumers which have mind set towards the packaging of the cosmetic product.

Objectives:

Objective 1: To identify the Packaging elements affecting consumer buying behavior towards cosmetic products

Objective 2: To study consumers' brand preference towards packaging of cosmetic products

Objective 3: To study whether consumer changes their preference as the packaging changes

Methodology

Type of Study: Descriptive study

Observation: Direct observation

Sampling method: Convenient sampling

Data collection: Review of various relevant data, documents and reports

Study population: Adolescent population

Sample Number: 42 sizes

Data Collection Plan

The survey was developed with appealing about the cosmetic product designs, products quality, compared high ends and low ends. It covers age groups of <20, 20-40, 40-60, >60 years. It covers students, adolescent population, old aged population, doctors, managers, sellers, buyers, adults, engineers, graduates, post graduates, and others. It is based on the survey done by designing the questionnaire to different people. Consumers are more dominant in the survey and collection of the data. It covers women, house-wife's, and female workers.

In survey, consumers are asked about the purchasing habits how they shop, what products they buy, what products to be purchased from shops, which factor is involved in buying of the cosmetic product, what is the price of the product, what similar combinations are available about the product.

The consumer selected the design that they found most enticing, and then at the end of the survey had several chances to explain why they were attracted to certain products.

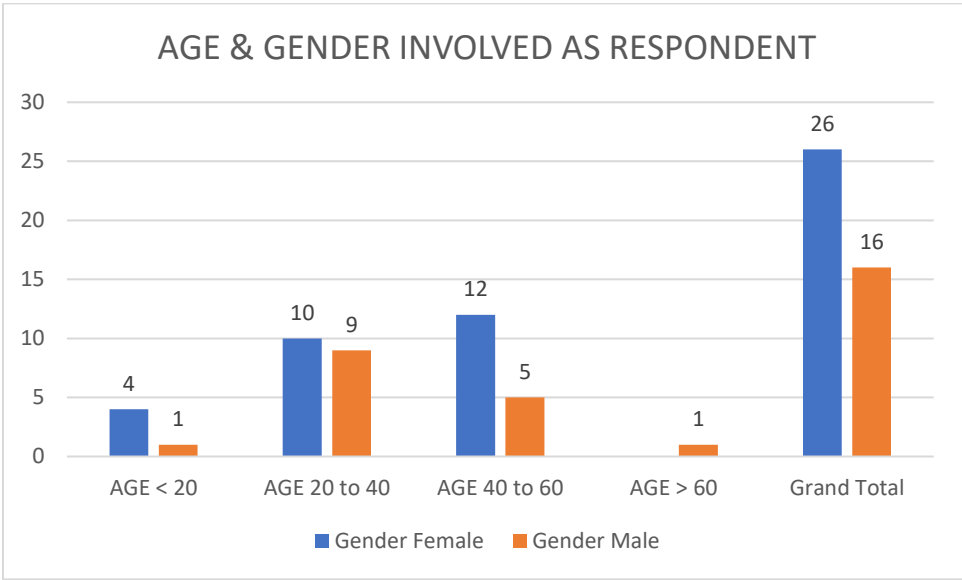
Data Analysis Plan

After the survey was completed, the data was collected and compiled into MS Excel sheets. These groups were based on age, purchasing habits and how much most consumers spend on cosmetic products.

FIGURE 1:
AGE & GENDER WISE ANALYSIS

Age & Gender wise number of respondent analysis

Age Group	Gender		Grand Total
	Female	Male	
AGE < 20	4	1	5
AGE 20 to 40	10	9	19
AGE 40 to 60	12	5	17
AGE > 60		1	1
Grand Total	26	16	42



Packaging	Responses					Total
	1	2	3	4	5	
Color	5 (11.9)	8 (19.05)	21 (50)	6 (14.29)	2 (4.76)	42
Material	1 (2.38)	2 (4.76)	5 (11.9)	7 (16.67)	27 (64.29)	42
Design	0 (0)	3 (7.14)	26 (61.9)	9 (21.43)	4 (9.52)	42
Size	2 (4.76)	5 (11.9)	17 (40.48)	11 (26.19)	7 (16.67)	42
Consumer friendly	3 (7.14)	1 (2.38)	3 (7.14)	11 (26.19)	24 (57.14)	42
Information_about_product	1 (2.38)	0 (0)	2 (4.76)	8 (19.05)	31 (73.81)	42

*figures in parenthesis is percentage

FIGURE 2:

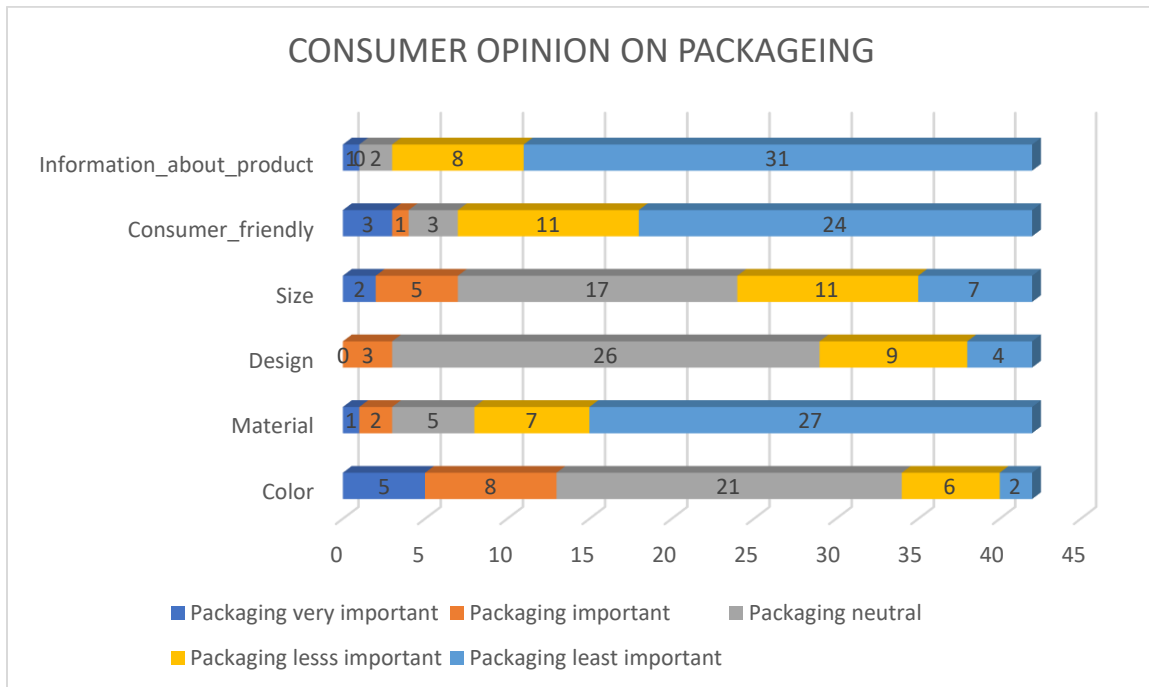


FIGURE 3:

Skincare	Responses					Total
	1	2	3	4	5	
Color	22 (52.38)	10 (23.81)	2 (4.76)	4 (9.52)	4 (9.52)	42
Material	3 (7.14)	3 (7.14)	11 (26.19)	5 (11.9)	20 (47.62)	42
Design	2 (4.76)	16 (38.1)	18 (42.86)	3 (7.14)	3 (7.14)	42
Consumer_friendly	5 (11.9)	4 (9.52)	8 (19.05)	14 (33.33)	11 (26.19)	42
Information	0 (0)	4 (9.52)	6 (14.29)	15 (35.71)	17 (40.48)	42

*figures in parenthesis is percentage

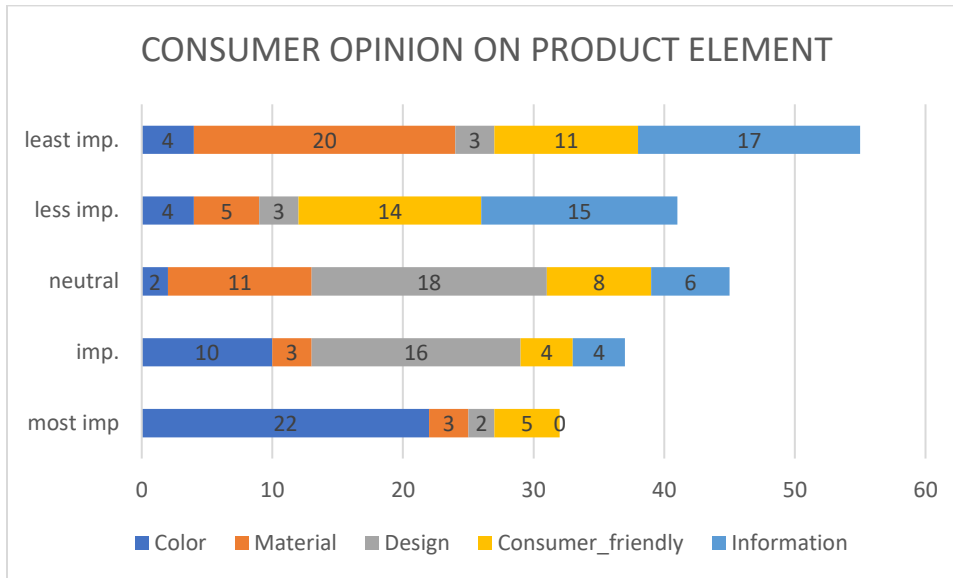


FIGURE 4:

Hair_Care	Responses					Total
	1	2	3	4	5	
Color	19 (45.24)	11 (26.19)	6 (14.29)	3 (7.14)	3 (7.14)	42
Material	6 (14.29)	2 (4.76)	5 (11.9)	7 (16.67)	22 (52.38)	42
Design	7 (16.67)	15 (35.71)	13 (30.95)	5 (11.9)	2 (4.76)	42
Consumer_friendly	5 (11.9)	6 (14.29)	7 (16.67)	9 (21.43)	15 (35.71)	42
Information	0 (0)	6 (14.29)	12 (28.57)	11 (26.19)	13 (30.95)	42

*figures in parenthesis is percentage

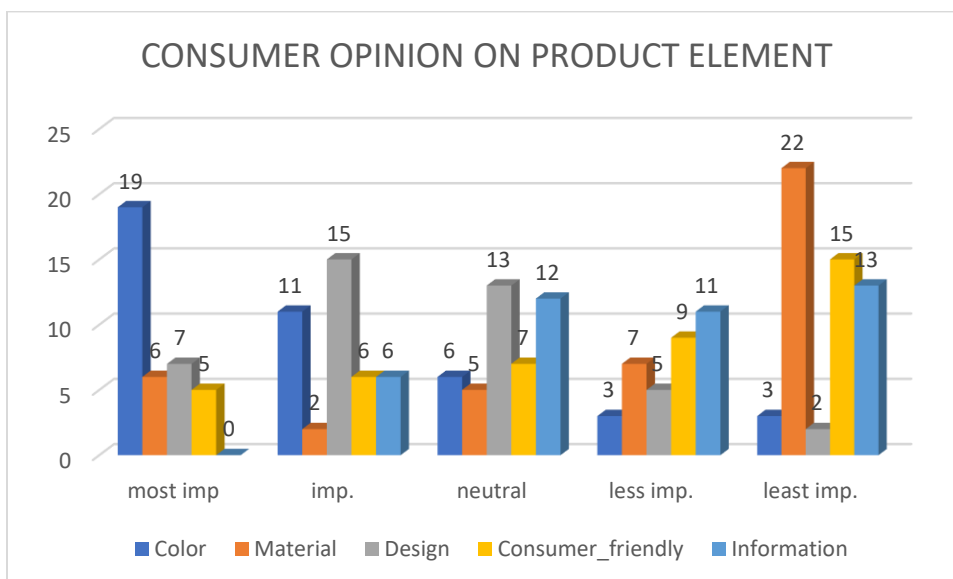


FIGURE 5:

Oral_Care	Responses					Total
	1	2	3	4	5	
Color	18 (42.86)	14 (33.33)	1 (2.38)	6 (14.29)	3 (7.14)	42
Material	3 (7.14)	5 (11.9)	10 (23.81)	6 (14.29)	18 (42.86)	42
Design	12 (28.57)	12 (28.57)	14 (33.33)	3 (7.14)	1 (2.38)	42
Consumer_friendly	3 (7.14)	3 (7.14)	10 (23.81)	12 (28.57)	14 (33.33)	42

Information	2 (4.76)	10 (23.81)	4 (9.52)	12 (28.57)	14 (33.33)	42
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*figures in parenthesis is percentage

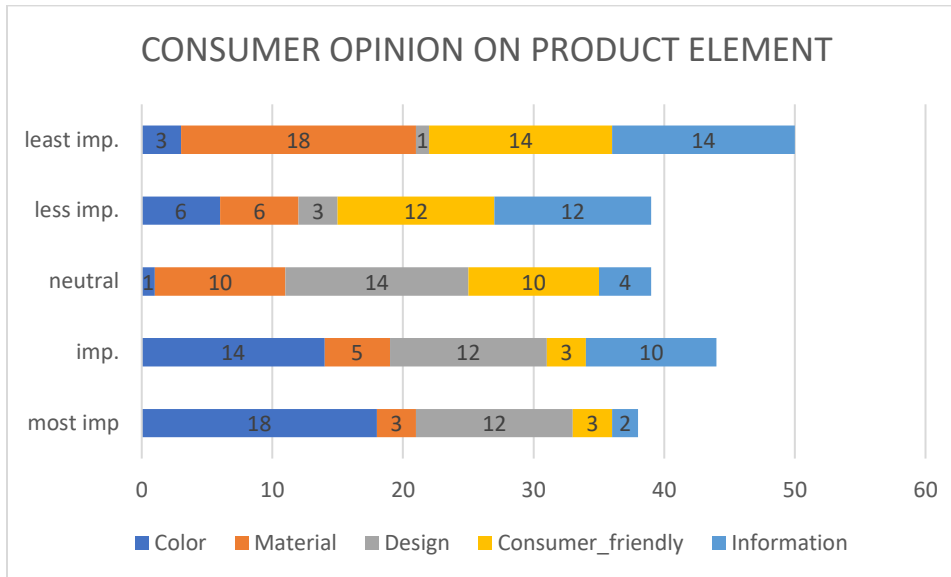


FIGURE 6:

Deodorants	Responses					Total
	1	2	3	4	5	
Color	25 (59.52)	7 (16.67)	3 (7.14)	4 (9.52)	3 (7.14)	42
Material	4 (9.52)	8 (19.05)	6 (14.29)	8 (19.05)	16 (38.1)	42
Design	10 (23.81)	13 (30.95)	11 (26.19)	5 (11.9)	3 (7.14)	42
Consumer_friendly	3 (7.14)	2 (4.76)	9 (21.43)	10 (23.81)	18 (42.86)	42
Information	4 (9.52)	8 (19.05)	8 (19.05)	13 (30.95)	9 (21.43)	42

*figures in parenthesis is percentage

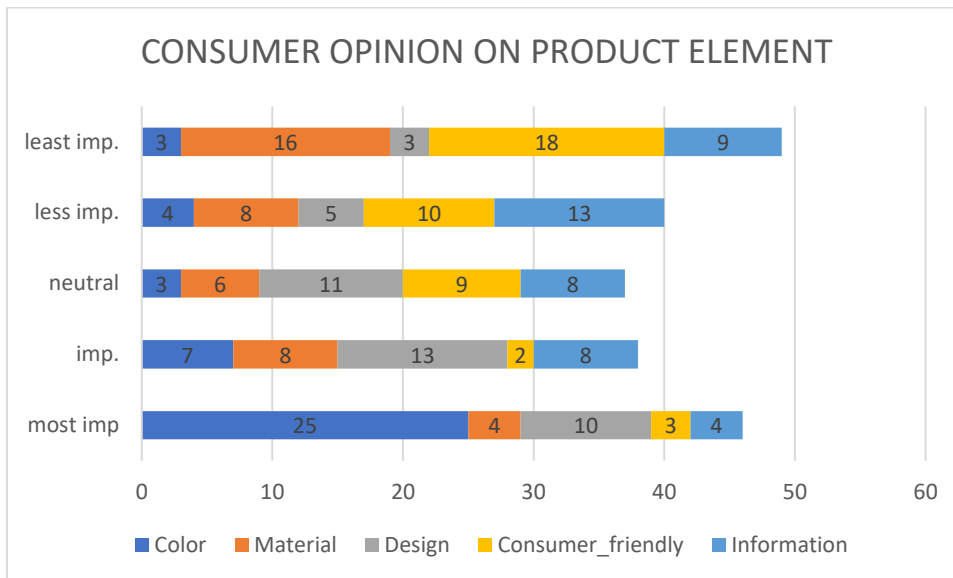


FIGURE 7:

Cosmetic	Responses					Total
	1	2	3	4	5	
Color	14 (33.33)	11 (26.19)	4 (9.52)	9 (21.43)	4 (9.52)	42
Material	4 (9.52)	1 (2.38)	10 (23.81)	4 (9.52)	23 (54.76)	42

Design	13 (30.95)	14 (33.33)	9 (21.43)	5 (11.9)	1 (2.38)	42
Consumer_friendly	6 (14.29)	4 (9.52)	7 (16.67)	10 (23.81)	15 (35.71)	42
Information	4 (9.52)	8 (19.05)	4 (9.52)	11 (26.19)	15 (35.71)	42

*figures in parenthesis is percentage

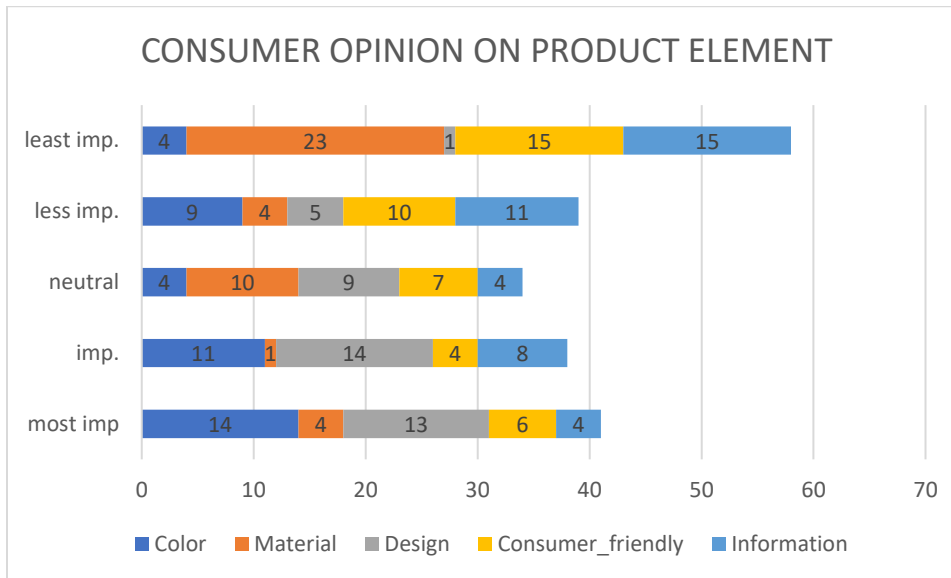
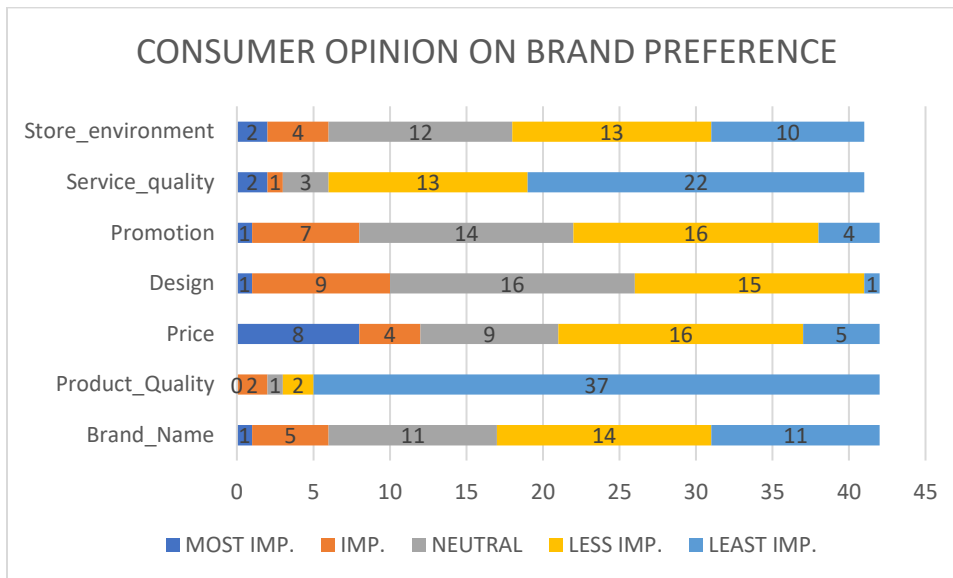


FIGURE 8:

Factors	Reponses					Total
	1	2	3	4	5	
Brand_Name	1 (2.38)	5 (11.9)	11 (26.19)	14 (33.33)	11 (26.19)	42
Product_Quality	0 (0)	2 (4.76)	1 (2.38)	2 (4.76)	37 (88.1)	42
Price	8 (19.05)	4 (9.52)	9 (21.43)	16 (38.1)	5 (11.9)	42
Design	1 (2.38)	9 (21.43)	16 (38.1)	15 (35.71)	1 (2.38)	42
Promotion	1 (2.38)	7 (16.67)	14 (33.33)	16 (38.1)	4 (9.52)	42
Service_quality	2 (4.76)	1 (2.38)	3 (7.14)	13 (30.95)	22 (52.38)	42
Store_environment	2 (4.76)	4 (9.52)	12 (28.57)	13 (30.95)	10 (23.81)	42



Conclusion:

The survey provided positive results about quality, price, brand, design, cleaner product and others. It covers mostly women who buy the cosmetic product from the market. Survey subjects like color, design, material, information about the product, opacity, quality, typography to make their decisions on buying the product.

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Annexure 1:

Role of Packaging in Consumer Buying Behavior of Cosmetic Product

Questionnaire

My name is NIKHIL DHARIWAL, M.Pharm. I am doing M.B.A. (Pharmaceutical Management) from IIHMR University Jaipur. I am conducting a survey on “Role of Packaging in Consumer Buying Behavior of Cosmetic Product”. All the answer you give will be confidential & will not be shared with anyone. Your participation in survey is voluntary. If I ask you any question, you don't want to answer, just let me know and I will go to the next question or you can stop the interview at any time.

Identification Data:

Name/Father's/Mother's name (optional):

Address (optional):

Age in years:

Gender: Male / Female

Occupation: Service/ Business/Skilled/House wife/Student

Education: Literate/Primary/12th Standard/Graduate/Professional

Questions

1. Following is the suggested list of elements of the packaging. Please allot marks in the scale of '5' to '1' in which '5' being the most important and '1' being the least important towards packaging while buying a product?

Factors	Most Imp. 5	Important 4	Neutral 3	Less Imp. 2	Least Imp. 1
i)Color					
ii)Material					
iii)Design					
iv)Size					
v) Consumer friendly *					
vi)Information about product					

*Consumer friendly-according to the needs and comfort for the consumers such as easy to open, easy to carry, protection, child-proofing, recyclable, non-breakable.

2. Following is the list of products against which element of packaging is given. Please rate them in the scale of '1' to '5' where '5' is the most preferred and '1' is the least preferred element to buy the product?

Product	Element of Packaging				
	Color	Material	Design	Information	Consumer friendly
i)Skin care					
ii)Hair care					
iii)Oral care					
iv)Deodorants					
v)Cosmetics					

3. Following is the list of factors affecting the brand of the product, give them mark in the scale of '5' to '1' where '5' is most important and '1' is least important factor affecting:

Factors	Most Imp. 5	Important 4	Neutral 3	Less Imp. 2	Least Imp. 1
i) Brand Name					
ii) Product quality					
iii) Price					
iv) Design					
v) Promotion					
vi) Service quality					
vii) Store environment					

4. To whom you give more preference:
 - a) Brand of the product (1)
 - b) Packaging of the product (2)
 - c) Both (3)

5. Whether your decision to purchase the product is affected by advertisement/ publicity/promotion of the product?
 - a) Yes (1)
 - b) No (2)

6. Do you think that more you buy the eco-friendly products the more positive impact it will have on the environment?
 - a) Yes (1)
 - b) No (2)

7. Which change in the packaging affects your decision to buy the product? Please give your response in the scale of '5' to '1' where '5' is strongly agree and '1' is strongly disagree.

Factors	Strongly Agree 5	Agree 4	Neutral 3	Don't Agree 2	Strongly Disagree 1
i) Color					
ii) Material					
iii) Design					
iv) Size					
v) Information about the product					

