

THE EFFECT OF LOCAL LIPSTICK'S PACKAGING ELEMENTS TOWARDS CONSUMER PERCEPTION AND PURCHASING INTENTION

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ABSTRACT

The beauty trends all over the world has been growing rapidly and have influenced many local cosmetic brands in Indonesia to launch lipstick product that have more modern and attractive packaging design. The objective of this research is to identify whether the specific local cosmetic's packaging elements have significant influence towards consumer's perception and purchase intention. In this research, 130 samples were used and data has been collected through questionnaire. The method used in this research is Multi Linear Regression analysis using SPSS software. The finding shows that color, image, design, and material of local lipstick's packaging elements have significant influence towards consumer perception. While elements that have significant effect towards purchase intentions were color and design. This indicates that consumers are interested in lipstick products that have attractive color and design. The writer suggests it would be better if local brands focus on color and design aspect in packaging to attract consumers.

Keywords: Consumer Perception, Elements of Packaging, Purchasing Intention

BACKGROUND

Currently, beauty trends in Indonesia are increasing rapidly, which influence many entrepreneurs to start up their own cosmetics business. Not only entrepreneurs, many big cosmetics company also started to launch new local cosmetics brand to give the customers in Indonesia more variety of beauty products. Along with the development of information and technology, many people also started to change into a smart shopper. They did not only consider the product inside, but also the whole package of the brand itself. People became more aware of information around them and they use those information while purchasing a product. They started to consider the image, the branding, the quality of product, the reviews, and also the packaging of the product itself. This is one of the reasons why marketers started to use packaging design as a marketing tool to appeal in the eye of customers. Many marketers started to design an attractive packaging design that would catch the customer attention and would affect their purchasing intention. They also analyze the current trends in the market and started to design the packaging based on the potential customer's taste.

Back then, packaging is used only for protecting the main product inside from any damage while delivering or contaminations. Marketers did not even bother to create packaging that appealing for consumers since the consumers itself did not really pay attention to what kind of design that the product have, etc. Along with the development of information, technologies, and eras, many entrepreneurs started to produce products that have the same functions as other brands. Because of this phenomenon, marketers should think creatively on how to make their brand stands out amidst other brands. Then, marketers started to design their own packaging so people could identify their brand. Marketers should not design the packaging as differentiator only, but they should consider using packaging elements that could deliver their values and identity to consumers too. Based on the research from Fatehi (Fatehi, 2007), packaging of a product includes several elements such as color, image, size, and shape, and all the information technology that could affect consumer's purchasing decision.

Nowadays, aesthetic aspect of packaging elements is considered important because they should be able to deliver the values and identity that we have as a brand. It is said that packaging of product can attract consumer's attention and it could enhance the product image that will affect their perception toward the product (Rundh, 2005). Mutsikiwa and Marumbwa said that packaging design of product is more effective in influencing consumer's purchasing intention rather than advertising (Mutsikiwa and Marumbwa, 2013). By considering several elements of packaging such as size, color, design, and others, marketers can use packaging as one of their marketing tool to attract consumer to purchase the product. Since the beauty trends also changed along with the flow of social media, many local cosmetic brand changed their usual packaging design into something more sophisticated and elegant. This research is focusing on how a local cosmetic brand such as Emina used their packaging design and how it could influence the consumer perception and purchasing intention.

The objectives of this research is to identify whether four (color, image, design, and material) specific packaging elements of local lipsticks have significant effect or influence towards consumer's perception and purchasing intention of the product.

LITERATURE REVIEW

A packaging of a product is one of the most powerful and market-oriented strategies which marketers can adopt (Stoll, Baecke, & Kennig, 2008). Adelina and Morgan (2007) concluded that packaging can be considered as one of the most valuable tool in marketing communication. The packaging can influence consumer perception and buying behavior, which means that packaging design elements can impact the consumer's purchasing intention towards certain product. (Wells, Farley, & Armstrong, 2007) also stated that packaging has become an important tool to differentiate the product or service from the similar kinds of product or service available in the current market. Based on the observation by Rundh (2005), packaging appeals to consumer's attention toward particular brand by enhancing the product image, which influences consumer's perception about the product or services. One of the most effective ways to attract customer's attention to a product is by focusing on appropriate use of color, size, language, and picture while increasing product availability (Schlossberg, 2008). Givee (2011) also established that packaging design that has relevant design, pictures, and decorations is more successful in attracting consumer's attention. Consumer's reaction toward the design and color of packaging can be assumed that it is converted in brand preferences, which means consumer's decision in choosing a brand is based on the aesthetic aspect of the packaging (Kauppinen-Räsänen, 2014). Packaging also have a role to communicates the brand's personality and values through several elements including the brand's logo, colors used, fonts, package materials, pictorials, product description, shapes, and others that could provide brand associations for consumer (Underwood, 2003). According to the research by Smith (2006), marketers and designer should consider six variables when creating efficient packaging design: form, size, color, graphics, material, and flavor.

Maggard (1976) did several studies regarding the term "positioning", according to an article by Al Ries and Jack Trout published in the magazine *Industrial Marketing* in 1969 and the magazine *Advertising Age* under the title "The Age of Positioning" in 1972. According to these authors, the origin of term "positioning" came from product packaging, which means the shape, the size, and the price in comparison with similar competitors. In the "The age of positioning", these authors stated that the importance of creating a position in consumer's mind will increase. Positioning starts from the product itself, but it refers to how the product can do something that could influence the possible consumer, which in short creating a position in the consumer's mind. Brooksbank (1994) stated that once the plan to position the product is done, the company need to come up with a plan of action, which is a suitable

marketing mix. Thereafter, the marketing mix elements (product, promotion, price, and place) which was formed in an action plan, will try to reach the consumers and contribute in creating the aimed positioning of product in the minds of consumer (Maggard, 1976). Lockshin (2008) stated that marketers tend to only measure consumer brand perceptions and ignore the packaging aspect. He said that marketers should not underestimate the importance of packaging of a brand, because packaging helps to direct the way consumer experience certain products and play an important role in creating consumer perceptions. Klimchuk and Krasovec (2007) also stated that product can be an identification of a brand, which could help in highlighting and promoting the product at the same time. Packaging can be used as the final marketing tool to inform, persuade, and convince the potential consumer before the final decision in purchasing (Well, Moriarty & Burnett, 2006).

Cited by Ghalandari and Norouzi (2012) from Crosno et al. (2009) stated that purchase intention is the situation where potential customer chooses a certain brand from a specific product category. Based on Tudor & Zheng (2014) purchasing intention will arise when consumer have to fulfill their specific needs toward certain products. Usually, consumer will be influenced by several environmental and market stimuli factors such as price, promotion, culture, and the political situation in certain country. Consumer will be interrupted by their internal impulse and the environmental factors during purchasing decision and process, and when the consumer already decide to purchase the product in certain and specific store, they will be driven by their own intention (Jaafar et al., 2012). This means that purchasing can be influenced from any side, both from internal or external side. By creating a high quality marketing program to promote the product and brand, marketers can expect the consumer to generate their purchasing intention.

From the literature reviews above, the author created two theoretical framework since there rare two dependent variables.

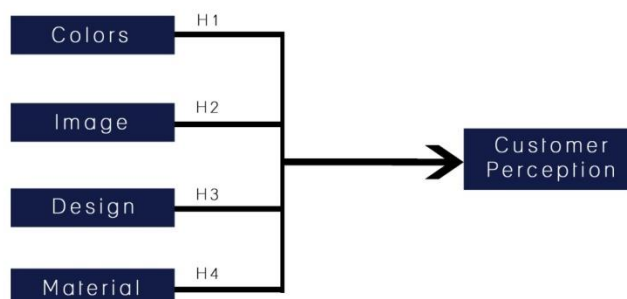


Figure 1: Theoretical Framework 1

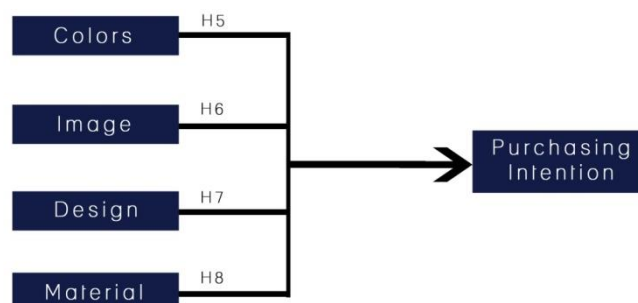


Figure 2: Theoretical Framework 2

Based on each theoretical framework above, the author made eight possible hypotheses for this research. The hypotheses are:

- H1: Colors on packaging has significant positive effect on consumer perception
H2: Image on packaging has significant positive effect on consumer perception
H3: Design on packaging has significant positive effect on consumer perception
H4: Material on packaging has significant positive effect on consumer perception
H5: Colors on packaging has significant positive effect on purchasing intention
H6: Image on packaging has significant positive effect on purchasing intention
H7: Design on packaging has significant positive effect on purchasing intention
H8: Material on packaging has significant positive effect on purchasing intention

METHODS

In this research, the author will be using Quantitative method, to acquire primary data from potential respondents. Quantitative approach is used to collect the primary data needed for the research, by distributing survey to potential respondents using questionnaire. To determine the sampling, the author used non-probability sampling with convenient sampling as the main method. The reason was because there are several requirements needed for the respondents to fill the questionnaire. The respondents should be female, aged around 15 years to 24 years old, and have already tried or purchase Emina's lipstick product. According to Badan Pusat Statistik Kota Bandung (BPS), in 2015, the total populations of woman with age range of 15 years until 19 years are 116,723 people. While the total populations of woman with age range of 20 years until 20 years are 127,721 people, which we can conclude that the total population for both segments are 244,444 people. Based on the population size, the author used Slovin's formula to determine the sampling sizes, which are 100 respondents. The author decided 10% as the error percentage was because the target respondents for this research have several requirements.

There are several variables that were going to analyze in this research. Color, image, design, and material as packaging elements will be the independent variables while consumer perception and purchase intention will be the dependent variables. All the data will be processed using IBM SPSS Statistics and Microsoft Excel. The method used to analyze the data is Multiple Linear Regression analysis.

RESULT AND DISCUSSION

In this research, the four packaging elements were the independent variables, while both consumer perception and purchasing intention were the dependent variables. The multiple linear regressions will analyze the effect of color, image, design, and material as packaging elements towards consumer perception and purchasing intention.

Impact of Color, Image, Design, and Material of Lipstick Packaging Element towards Consumer Perception

Table 1: Multiple Linear Regression Test Result 1

Dependent Variable	Independent Variable	ANOVA		Coefficient			
		F	Sig.	R-Squared	Beta	t	Sig.
Consumer Perception	Color	25.932	.000	.453	.316	3.873	.000
	Image				.159	1.955	.053
	Design				.142	1.862	.065

	Material				.327	4.505	.000
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H1: Colors on packaging has significant positive effect on consumer perception

For this research, the maximum error was 0.10 and the t-value for 10% error was 1.645. Based on the table 4.15, the color variable has a p-value (significance value) of 0.000 which is below the maximum error of 0.10 and t-value of 3.873 that exceeds the t-value of 10%. The result shows that color as lipstick's packaging element has a significant effect towards consumer's perception, therefore hypothesis 1 is accepted. The result also supports previous study by Rizwan Raheem Ahmed, Vishnu Parmar, and Muhammad Ahmed Amin (2014) that attractive packaging color can influence how a product is perceived.

H2: Image on packaging has significant positive effect on consumer perception

In the table 4.15 above, the image variable has a p-value (significance value) of 0.053 and t-value of 1.955. Based on these values, it is below the maximum error of 0.10 and t-table value of 1.645. Thus, image on lipstick's packaging does have a significant effect towards the consumer's perception, so hypothesis 2 is accepted. This result also support the previous study that stated that packaging with beautiful and attractive background can inspire the consumer toward the product (Hussain, Ali, Ibrahim, Noreen, and Ahmad, 2015)

H3: Design on packaging has significant positive effect on consumer perception

The maximum error to test the hypothesis was 0.10 and the value of t should exceeds the t-value on the t table which was 1.645. From the result on table 4.15, design as the independent variable has a significance value or p-value of 1.862 that is below 0.10. this variable also has a t-value of 1.862 which exceeds 1.645, that indicates that design on lipstick's packaging does have a significant effect towards consumer perception. Thus, hypothesis 3 is accepted. From the result of previous study by Hussain, Ali, Ibrahim, Noreen, and Ahmad (2015) the design of the product packaging can keep the consumer feel delighted.

H4: Material on packaging has significant positive effect on consumer perception

The maximum error to test the hypothesis was 0.10 and the value of t should exceed the t-value on the t table which was 1.645. In the table 4.15, it is showed that material as the independent variable has a significance level of 0.000 and t-value score of 4.505. out of the four variables, material is one of the variable that has the most significant effect toward consumer perception other than color. Therefore, hypothesis 4 is accepted. This result supports the previous study by Hussain, Ali, Ibrahim, Noreen, and Ahmad (2015) which found that quality of the packaging material can create a positive perception toward the product.

Impact of Color, Image, Design, and Material of Lipstick Packaging Element towards Purchasing Intention

Table 4 1: Multiple Linear Regression Test Result 2

Dependent Variable	Independent Variable	ANOVA		Coefficient			
		F	Sig.	R-Squared	Beta	t	Sig.
Purchase	Color	18.544	.000	.372	.282	3.225	.002

Intention	Image				.025	.285	.776
	Design				.430	5.248	.000
	Material				-.019	-.239	.811

H5: Colors on packaging has significant positive effect on purchasing intention

The table 4.16 showed that color on packaging has a significant impact on consumer's purchasing intention toward the product. It can be seen from the value of significance level or p-value that scored 0.002 and t-value of 3.225. These two tests indicates that color of packaging has the second highest effect on consumer's purchasing intention, thus hypothesis 5 is accepted. This findings is consistent with study by Olawepo, G.T. and Ibojo, B.O. (2015) that color of packaging influences consumer purchasing intention.

H6: Image on packaging has significant positive effect on purchasing intention

In the analysis stated above, image on packaging does not have direct relationship with consumer's purchasing intention. in the table 4.16, it shows that the t-test of this variables is 0.285, while the p-value is 0.776. Based on the values, the t-test is not significant because it scored lower than the t-table value of 1.645 and the p-value exceed the maximum error of 0.10. Thus, hypothesis 6 is rejected.

H7: Design on packaging has significant positive effect on purchasing intention

The table 4.16 explains that the regression analysis suggested a strong significant effect between design on packaging and purchasing intention. The p-value or significance level for this variable is 0.000 and t-value score is 5.248 which is good. According to the analysis stated before, hypothesis 7 is accepted because the p-value is less than 0.10 and t-value is greater than 1,645. Thus, we can say that color on packaging is important for consumer's purchasing intention.

H8: Material on packaging has significant positive effect on purchasing intention

Based on the table 4.16, material on packaging does not have direct relationship with consumer's purchasing intention. The table showed that material has a p-value of 0.811 and t-value of -0.239. This shows that material on packaging does not have a significant effect on consumer's purchasing intention. Therefore, hypothesis 8 is rejected. However, the findings did not fully confirm the findings by Hussain, Ali, Ibrahim, Noreen, and Ahmad (2015) that stated material as packaging elements have a positive relationship with purchasing behavior. In this study, material on packaging is not significant.

CONCLUSION

This study found that color, image, design, and material of lipstick's packaging have a significant and positive effect towards consumer perception. This result indicates that lipstick product which has trendy colors, appealing images or illustrations, attractive design, and high quality material can create a positive perception in the consumer's mind. From the study by Hussain, Ali, Ibrahim, Noreen, and Ahmad (2015), the elements of packaging are very important aspect in a product; since it could keep the consumer feel delighted, they will also perceive the product positively.

This study also found that design and color are the only elements of packaging that have significant and positive effect towards purchasing intention. While image and material does not have any significant influence toward purchasing intention. Olawepo, G.T. and Ibojo, B.O. (2015) found that there is a significant relationship between picture quality and

color packaging with consumer purchase intention. However, the findings in this study did not consistent with their findings. In this research, the image variable is not significant, while the color variable have significant effect. This indicates that while choosing lipstick products, the color and design aspect of packaging plays an important role in influencing consumer's purchasing intention.

In order to improve their performance in facing competitors or in beauty industry, local cosmetic brands should start focusing on creating a packaging design that fits the target markets but still keep up with the current trends around the world. Local cosmetic brands should focus on color and design aspect when creating a concept for packaging, because based on the result, both aspect have significant impact towards consumer perception and purchasing intention.

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