A Study on Impact of Packaging of Packed Beverages on Genz Consumer Buying Behavior in Hyderabad

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Abstract

Gen Z, the generation born between the mid-1990s and the early 2010s, is known for its distinct traits and inclinations, which have an enormous impact on their purchase decisions. Packaging plays a critical role in various aspects of product marketing and consumer satisfaction, especially for beverages it plays a substantial role in attracting and engaging Gen Z consumers. This paper aims to find the association between Demographic factors and importance of packaging among Gen Z consumer buying behaviour and to determine the factors of packaging influencing Gen Z consumer purchase decision towards packed beverages. A structured questionnaire was sent to a group of students in the Hyderabad region in order to collect primary data for the study. The statistical tools used were Chi-square test to determine the association between the gender and importance of packaging and factor analysis to find the factors of packaging influencing the GenZ consumer purchase decision. The outcomes were that there was a significant difference between all the demographic factors i.e. age, (Gender, Occupation, Income, Qualification) and importance of packaging among Gen Z consumer buying behaviour and the factor "User-friendly/convenient" holding the value 0.920, is the most influential factor of packaging among Gen Z consumers purchase decision towards packed beverages.

Keywords: GenZ, Beverages, Packaging, Purchase decision and Consumer behaviour.

Introduction

As the first point of contact between a customer and a product, the packaging makes an important first impression that may have an impact on the consumer's decision to buy. Packaging serves as a visual representation of a brand, conveying its positioning in the market as well as its values, all of which support the growth of a distinctive and powerful brand identity. Appealing packaging is a potent marketing tactic that grabs customers' attention. This generation considers a variety of factors before making a packed beverage purchase. The packaging is one of the key elements influencing Gen Z customers' purchase decisions. Even when it comes to beverage packaging, marketers take into account a number of factors that attract to Gen Z consumers, including style, shape, size, and ecologically friendly packaging.

Review of Literature

Elu Ishaku, Elu Ishaku (2013)- "**Impact of Packaging on Consumer Purchase of Beverage Drinksin Taraba State, Nigeria**"-African Journal of Business and communication Technology (AJBCT) Vol.30, Issue 12- The purpose of the study was to ascertain how consumer purchases of drinking products in Taraba State, Nigeria were influenced by package aspects, including colour, materials, font style, wrapper design, printed information, background information, background image, and innovation. The study's conclusions demonstrated that beverages product packaging significantly influenced consumers' decisions to buy the products. The results also showed a strong correlation between beverage drink package characteristics and consumers' decisions to buy the products.

Mahera Mazhar, Sayeda Daud, Muhammad Mubin (2015)- "**Impact of packaging on consumers buying behaviour: Evidence from Karachi",** Journal of Marketing and Consumer Research 2422-8451 An International Peer-reviewed Journal Vol.16. In this paper the authors objective was to find the factors that determine essential factors that determine success of a brand. this research conclusions indicate that the packing has been shown to be the most crucial element. It is further determined that when consumers are making any sort of purchasing decision, based on the packaging elements—such as colour, substance, and design are more significant aspects.

Ibrahim Ofosu-Boateng (2019) - "**Influence of packaging on consumers' buying behaviour of soft drinks**"- The objectives of this research were to look at the different kinds of packaging used soft drink industry in Ghana and determine how packaging influences consumer purchasing decisions in the beverage industry. It was found that consumers prefer to purchase beverages that are packaged in plastic and aluminium containers over glass ones. Additionally, a strong correlation between packaging and consumer purchasing behaviour was discovered.

Objectives

To identify the association between Demographic factors and importance of packaging among Gen Z consumer buying behaviour.

To determine the factors of packaging influencing Gen Z consumer purchase decision towards packed beverages.

Hypothesis

H1 there is a significant difference between age and importance of packaging among GenZ consumer buying behaviour.

H2 there is a significant difference between gender and importance of packaging among GenZ consumer buying behaviour.

H3 there is a significant difference between Occupation and importance of packaging among GenZ consumer buying behaviour.

H4 there is a significant difference between Income and importance of packaging among GenZ consumer buying behaviour.

H5 there is a significant difference between Qualification and importance of packaging among GenZ consumer buying behaviour.

Research Methodology

Data collection: primary data and Secondary data.

Statistical tool: Chi-Square Test and Factor analysis.

Sample size: confined to 116 respondents.

Findings and Conclusions

Crosstab

Count

		Importance		
		No	Yes	Total
Age	16-20	9	86	95
	21-26	5	4	9
	below-15	2	10	12
Total		16	100	116

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	**14.775**[a]	2	**<0.001**
Likelihood Ratio	10.358	2	<0.006
N of Valid Cases	116		

The value of test statistic is **14.775** and the corresponding p-value of the test statistic is **p=0.001**. Since the p value is less than our chosen significance level (a=0.05) the null hypothesis is been rejected. Therefore, the test concludes that there is a significant difference between age and importance of packaging among GenZ consumer buying behaviour.

Crosstab

Count

		Importance		
		No	Yes	Total
Gender	Female	2	52	54
	Male	14	48	62
Total		16	100	116

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	**8.649**[a]	1	**<0.003**
Likelihood Ratio	9.732	1	<0.002
N of Valid Cases	116		

The value of test statistic is **8.649** and the corresponding p-value of the test statistic is **p=0.003**. Since the p value is less than our chosen significance level (a=0.05) the null hypothesis is been rejected. Therefore, the test concludes that there is a significant difference between Gender and importance of packaging among GenZ consumer buying behaviour.

Crosstab

Count

		Importance		Total
		No	Yes	
Occupation	House wife	0	3	3
	Salaried	2	1	3
	Self Employed	3	0	3
	Student	11	96	107
Total		16	100	116

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	**27.394ᵃ**	3	**<0.001**
Likelihood Ratio	18.380	3	<0.001
N of Valid Cases	116		

Crosstab

Count

		Importance		Total
		No	Yes	
Income (P M)	10,001-20,000	3	0	3
	20,001-30,000	1	0	1
	2000- 5000	11	98	109
	2000-5000	0	1	1
	5,001-10,000	1	0	1
	Above 40,001	0	1	1
Total		16	100	116

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	**32.826ᵃ**	5	**<0.001**
Likelihood Ratio	21.770	5	<0.001
N of Valid Cases	116		

The value of test statistic is **27.394** and the corresponding p-value of the test statistic is **p=0.001**. Since the p value is less than our chosen significance level (a=0.05) the null hypothesis is been rejected. Therefore, the test concludes that there is a significant difference between Occupation and importance of packaging among GenZ consumer buying behaviour.

From the KMO and Bartlett's test we can say that the adequacy value is 0.908 which is more than 0.5, hence we conclude that it is acceptable to apply factor analysis for the data the significant value is less than 0.05 hence it is significant to apply. Our data is adequate and fit for factor Analysis test by using KMO and Bartlett's Test.

Crosstab

Count

Qualification		Importance		Total
		No	Yes	
Qualification	Graduate	1	2	3
	Intermediate	1	12	13
	M.Phil / PHD	1	0	1
	Metriculation / SSC	1	1	2
	persuing PHD	0	1	1
	Post Graduate	2	0	2
	SSC	2	10	12
	Under Graduate	8	74	82
Total		16	100	116

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	**23.692**[a]	7	**<0.001**
Likelihood Ratio	16.191	7	0.023
N of Valid Cases	116		

KMO AND BARTLETT'S TEST

KMO AND BARTLETT'S TEST		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		**0.908**
Bartlett's Test of Sphericity	Approx. Chi-Square	794.613
	df	28
	Sig.	0.000

The value of test statistic is **32.826** and the corresponding p-value of the test statistic is **p=0.001**. Since the p value is less than our chosen significance level (a=0.05) the null hypothesis is been rejected. Therefore, the test concludes that there is a significant difference between income and importance of packaging among GenZ consumer buying behaviour.

The value of test statistic is **23.692** and the corresponding p-value of the test statistic is **p=0.001**. Since the p value is less than our chosen significance level (a=0.05) the null hypothesis is been rejected. Therefore, the test concludes that there is a significant difference between Qualification and importance of packaging among GenZ consumer buying behaviour.

Communalities				
	Raw		Rescaled	
	Initial	Extraction	Initial	Extraction
Design	1.932	1.381	1.000	0.715
Colour	1.733	1.281	1.000	0.739
Shape	1.919	1.470	1.000	0.766
Size	1.949	1.565	1.000	0.803
User friendly/Convenient	2.081	1.760	1.000	0.846
Material Quality	1.961	1.559	1.000	0.795
Number of uses /Re-usage	2.326	1.456	1.000	0.626
Ecofriendly	2.108	1.721	1.000	0.816

Initial communalities are, for correlation analyses, the proportion of variance accounted for in each variable by the rest of the variables. Extraction communalities are estimates of the variance in each variable accounted for by the factors in the factor solution. Small values indicate variables that do not fit well with the factor solution, and should possibly be dropped from the analysis from the above table. We say that the factor Colour & Shape do not fit well as others.

Total Variance Explained							
		Initial Eigenvalues			Extraction Sums of Squared Loadings		
Component		Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
Raw	1	12.192	76.155	76.155	12.192	76.155	76.155
	2	1.473	9.203	85.358			
	3	0.870	5.432	90.790			
	4	0.469	2.932	93.722			
	5	0.339	2.116	95.838			
	6	0.271	1.692	97.530			
	7	0.228	1.427	98.957			
	8	0.167	1.043	100.000			
Rescaled	1	12.192	76.155	76.155	6.105	76.318	76.318
	2	1.473	9.203	85.358			
	3	0.870	5.432	90.790			
	4	0.469	2.932	93.722			
	5	0.339	2.116	95.838			
	6	0.271	1.692	97.530			
	7	0.228	1.427	98.957			
	8	0.167	1.043	100.000			

The leftmost section of this table shows the variance explained by the initial solution. Hence it concludes that only one factor which accounts for 76.318% of variance. All other remaining factors are significant.

Component Matrix	Raw	Rescaled
	Component	Component
	1	1
Design	1.175	0.846
Colour	1.132	0.86
Shape	1.213	0.875
Size	1.251	0.896
User friendly/Convenient	1.327	0.920
Material Quality	1.248	0.891
Number of uses/ Re-usage	1.207	0.791
Ecofriendly	1.312	0.904

From the above component matrix, we conclude that the factor **User friendly/ Convenient** holding the value **0.920** is considered most influential factor among Gen Z consumer purchase decision towards packed beverages when compared to the other factors such as design, colour, shape, size, material quality, number of uses/ re-usage and Eco-friendly.

References

1. Elu Ishaku, Elu Ishaku (2013)- "Impact of Packaging on Consumer Purchase of Beverage Drinksin Taraba State, Nigeria".

2.Mahera Mazhar, Sayeda Daud, Muhammad Mubin (2015)- "Impact of packaging on consumers buying behaviour: Evidence from Karachi", Journal of Marketing and Consumer Research 2422-8451 An International Peer-reviewed Journal Vol.16.

3. Ibrahim Ofosu-Boateng (2019) - "Influence of packaging on consumers' buying behaviour of soft drinks".