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# UNIT 11 PACKAGING DECISIONS

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## Objectives

After reading this unit you should be able to:

- relate the importance of packaging in the present day competitive environment
- comment upon the functions of packaging
- describe the different packaging strategies
- discuss the legal and social aspects of packaging

## Structure

- 11.1 Introduction
- 11.2 Importance of Packaging in Marketing
- 11.3 Packaging as an Art
- 11.4 Packaging Concept
- 11.5 Packaging and Product Differentiation
- 11.6 Science and Technology of Packaging
- 11.7 Labelling-Importance and Mechanism
- 11.8 Functions of Packaging
- 11.9 Packaging Strategies
- 11.10 Summary
- 11.11 Self-Assessment Questions
- 11.12 Further Readings

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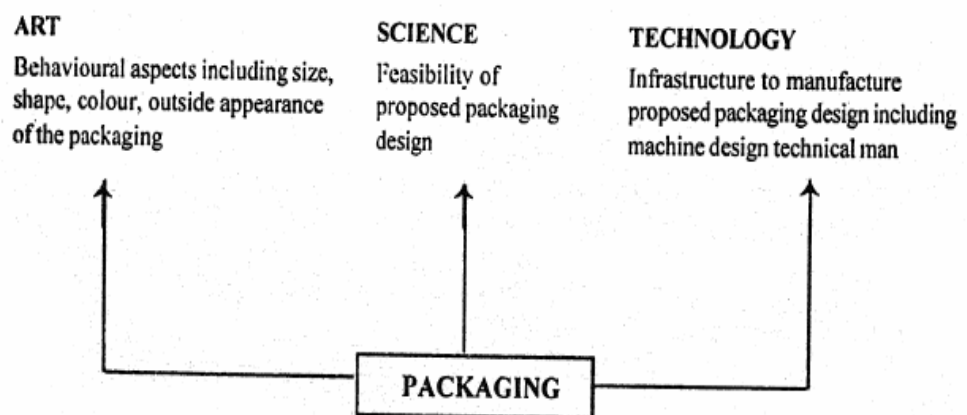
## 11.1 INTRODUCTION

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Physical products require packaging decisions to create such benefits as protection, economy, convenience, and promotion. Marketers have to develop a packaging concept and test it functionally and psychologically to make sure it achieves the desired objectives and is compatible with public policy. Physical products also require labelling for identification and possible grading, description, and promotion of the product.

Packaging can be described as the art, science and technology of preparing goods for transport and sale, This can be highlighted through the following diagram.

**Figure 11.1 : Definition of Packaging**



We shall take up each of the above mentioned aspects of packaging in the following sections:




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## 11.2 IMPORTANCE OF PACKAGING IN MARKETING

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Historically, packaging was a production oriented activity in most companies, performed mainly to obtain the benefits of protection and convenience. Today, however, marketing significance of packaging is fully recognized, and packaging is truly a major competitive force in the struggle for markets. The widespread use of self-service selling means that

the package must do the selling job at the point of purchase. Shelf space is often at a premium, and it is no simple task for manufacturers even to get their products displayed in a retail outlet. Most retailers are inclined to cater to producers that have used effective packaging.

In addition, the increased use of branding and the public's rising standards in health and sanitation have contributed to the importance of packaging. Safety in packaging has become an especially important marketing and social issue in recent times.

New developments in packaging, occurring rapidly and in a seemingly endless flow, required management's constant attention to packaging design. We see new packaging materials replacing the traditional ones, new shapes, new closures, and other new features (measured portions, metered flow). These all make for increased convenience for consumers and additional selling points for marketers. One new development in packaging that will be particularly interesting to watch in the coming years is the aseptic container—a "paper bottle" made of laminations of paper, aluminium foil, and plastic. Its airtight feature keeps perishables fresh for 5 months without refrigeration and it costs about one-half as much as cans and 30 per cent as much as bottles. Specifically both packaging and labelling are useful for:

- Creating customer satisfaction
- Protecting the contents inside
- Communicating the product attributes
- Helping in product handling
- identifying brand name and seller
- Promoting the product with attractive design and colours
- Keeping costs down
- Information on the ingredients of the product
- Offering customer convenience.

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## 11.3 PACKAGING AS AN ART

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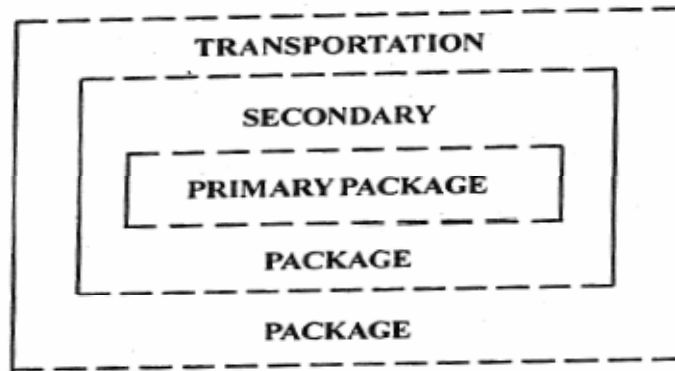
Packages go all the way back to the primitive times when people used animal skin and grass baskets as containers to carry wild berries and other fruits from forests to caves. Materials like earth and glass were used to design containers to store and transport liquids. Later newer materials for packaging were discovered and as of today packaging has emerged as a potent marketing tool. It is this aspect of packaging which constitutes its artistic parameter.

Packaging has now come to be defined as the fifth P of marketing. It gives an enhanced value to the product per se. At this stage, it is important to understand that a package may include three levels of material:

- i) A primary package which is the product's immediate container;
- ii) A secondary package which refers to additional layers of material that protect the primary package and which are discarded when the product is about to be used;
- iii) The transportation package which refers to packaging necessary for storage and identification of the packaged products. This can be illustrated as:



Figure 11.2 : Levels of Packaging



Let us take a simple product like a toothpaste to understand the levels involved in packaging. The extruded aluminium tube which holds the toothpaste is its immediate primary package. The cardboard container which holds the tube is the secondary package. The carton/box which consists of a number of cardboard containers will be transportation package used for distribution purposes.

### Activity 1

For the products given below identify the primary package, secondary package and transportation package.

Product	Primary package	Secondary package	Transportation package
1. Liquid Hair Dye	.....	.....	.....
2. Television for exports	.....	.....	.....
3. Dairy Whitener	.....	.....	.....
4. Audio CD	.....	.....	.....
5. Coldarin Tablets	.....	.....	.....

It is evident from the above exercise that the importance of packaging largely depends upon the type of product. The different levels of packaging, type and importance would vary with the type of product whether consumer product/industrial product/bulky product/ light product/solid product/liquid product. It would also vary with the distance over which it has to be transported. Let us take each type of product separately and study the importance of different levels of packaging for each.

### Consumer Packaged Goods

These are defined as consumer products packaged by manufacturers and sold through retail outlets. Food, tobacco, toiletries, health and beauty aids and household products are typically involved in this product classification. Thus, goods available in atypical provisions store like tea (Brooke Bond, Lipton etc.); coffee (Nescafe, Gold cafe); chips (Gold 'N' chip, Ruffles, Aloos); soaps (Cinthol, Lux, Pears) detergent (Surf, Nirma); medicines included in the OTC (Over The Counter) category like Vicks, Burnol, Band- Aid, Dettol, Iodex Spray, and other household products like pressure cooker, iron, gas stoves, all constitute consumer packaged goods.

Most of these products belong to the "me-too" category i.e., there exists very little differentiation as far as the actual physical product and its properties like colour, size, texture, and taste are concerned. Consider the case of refined oil used as an edible cooking medium. Several brands exist which are similar in their chemical properties. Earlier these were available in aluminium tin packs of different sizes. However, market research conducted by the respective companies revealed that the consumer was finding pouring oil from aluminium tin a messy job. At the same time the tin pack also resulted in problems with respect to lifting it and wastage due to spillage. Another drawback of the pack was that it was not reusable as it tended to rust or dent and hence was more often than not disposed off as scrap. A new packaging in the form of moulded plastic jars with handles and conveniently designed nozzles to facilitate pouring was introduced. These containers also lend themselves to be reusable for storing liquids like kerosene, petrol and other such liquid products. They are leak proof and, odourless. Yet another packaging design introduced for refined cooking oil are the Pearl PET bottles these are transparent unlike opaque moulded



plastic jars, they are odourfree, can be reused for storing water in the refrigerator and other such multipurpose uses; convenient to be placed near the gas stove as they require less standing place and can be used directly, to our oil while cooking. The consumer of today who is more inclined towards hygienic products available in small economy packs is very much influenced by such innovative packaging offering multiple benefits. The introduction of refined oil in PET bottles has largely contributed to its higher sales and market leadership.

## 11.4 PACKAGING CONCEPT

The above example clearly illustrates motivation research and the art of packaging. Packaging is largely used as a potent tool for differentiating products which are essentially similar. Developing a package requires primarily to establish a packaging concept. The packaging concept is a definition of what the package should basically be or do for the particular product. Other component elements like size, shape, materials colour, text and brand mark also need to be tested for various alternatives and combinations. To understand the testing of a packaging concept let us consider the packaging of "CHARMS" brand of cigarettes. Cigarettes also belong to the "me-too" category with a number of brands competing in the market place. They are all similar with respect to all the four P's of marketing viz. product, price, place and promotion. They all cater to a variety of consumers including working men, college students and executives. At this point of time a cigarette targeted towards the younger college going consumer was to be introduced. Other things being essentially the same, it was the fifth 'P' viz. packaging which could match the product with the target consumer. The behavioural aspect of the consumer was studied. A package which would symbolise youth and freedom, which would be easy to carry around and reasonably priced to purchase needed to be created. This was the packaging concept. The package which emerged finally was blue in colour, depicting the texture of the denim jeans. A red brand in the centre contained the brand name "CHARMS". The package was of smooth and soft blue paper, instead of the thick carton like package available in general. The correspondence between the packaging design and benefits of the consumer can be drawn out asunder:

	Package	Design	Benefits
1.	COLOUR	DENIM BLUE	Matches with the free life style of youth. Jeans are a symbol of youth.
2.	TEXTURE	SMOOTH BLUE PAPER	Economic as well as glossy look.
3.	PACKET	SOFT	Can be conveniently placed in the of the shirt/jeans etc.pockets
4.	DESIGN	TWO WHITE BIRDS	This symbolises a release from the
		FLYING TOWARDS	tensions for the young generation.
		THESKY	

### Activity 2

For the product given below, identify the packaging concepts and the need/benefits offered, by the new packaging over the earlier packaging.

- i) Wheat flour (Captain Cook, Annapurna, Pilsbury) introduced in Plastic bags.

Earlier Packaging

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New Packaging Concept

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Benefits offered by new packaging

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- ii) Choose any two products of your choice where packaging has improved over the earlier one.

Earlier Packaging

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New Packaging Concept

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Benefits offered by new packaging

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## 11.5 PACKAGING AND PRODUCT DIFFERENTIATION

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Another aspect of consumer packaged goods category is the use of packaging to brand a hitherto generic product. A case which aptly illustrates this is the phenomenal success of 'SMART FOOD'- a brand of cheese popcorn.

Popcorn which was otherwise available in conventional see through polyethylene bags in regular and spiced flavours and marketed through super markets, groceries and other retail outlets was branded and packaged differently.

The product *per se* was premium quality white popcorn seasoned with aged cheddar cheese. It was wholesome and natural with no artificial preservatives or colouring. This was paced in a bag which featured a coal black background with a bright green cornstalk and. neon yellow Kernels spilling out of the top -a piece of true pop art. To this was later added a note on the back from the founders "unlike naughtly junk-food companies who do mean and nasty things to their popcorn we treat our kernels with the love and respect that real food deserves."

The zany packaging really stood apart-for shopkeepers who stocked the product it was the disappearing Black Bag Syndrome. Packaging in its artistic form can be understood through this product success. Super market chains fell in love with the shiny black bag. Smart foods thus innovated the obvious advantage using packaging concepts.

Another distinguishable feature of the black popcorn bag was that it was resealable. It was **in** the form of Tug-N-Tie bag which could be reclosable was cheap to produce and easily adaptable to existing technology. The popcorn acted as a mere filler to this innovative packaging idea of a resealable bag. The benefit it offered to the consumers was that even if the contents of the bag could not be devoured in a single sitting it *could* be resealed and used again without the popcorn getting soggy.

Of course, since then, many other snack-food companies have jumped on to the bandwagon with similar black bags of popcorn but smart food still remains one of the largest selling snack-foods in the U.S.



### Activity3

Consider two brands of soaps (Lifebuoy and Liril) in the Indian market and study their present packaging and its improvement over the last 5 year, and its impact on the product development.

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## 11.6 SCIENCE AND TECHNOLOGY OF PACKAGING

Till now we have been talking mainly about non-perishable consumer packaged goods with longer shelf lives. Let us now turn to packaging of perishable products like fresh fruits, flower and vegetables, which are transported over long distances.

Transport packages are employed in order to facilitate manual handling and to collect and contain fixed quantities of produce. Normally more than one transport package is used during the total distribution of a Particular item-one package may be used for collecting of the produce from the field to the packing house, one for the transit from the producing country to the importing country (in case of export order) and one for transport from a prepacking centre to the retail outlet.

i) Prepacking of fresh fruits and vegetables is generally carried out using:

- wraps of plastic film such as polyethylene or PVC, often in the form of shrink wrap, stretch film or cling film;
- bags made of paper, perforated polyethylene or polypropylene film, plastic net or cotton; .
- shallow trays of moulded pulp, cardboard, thermoformed plastic or expanded polystyrene covered with plastic film;
- baskets with handles, made of wood veneer, moulded pulp, cardboard, thenmoformed plastic or injection moulded plastic, covered with plastic film or other types of closure.

ii) Transport packaging for fresh fruits and vegetables is dominated by:

- a) Closed boxes made of wood and corrugated or solid fibreboard;
- b) Sacks made of plastic or paper.

### A) 1) **Wooden Boxes**

Materials used for manufacture of wooden boxes include natural wood and industrially manufactured wood-based sheet materials. These are plywood cardboard and practice board. Whatever wooden materials are employed, the components have to be assembled into a box. Wooden packages need to be fastened securely using nailing, stapling or wire stitching. Wooden packages also require lining with paper or corrugated fibreboard when used for products having delicate skin.

### 2) **Corrugated Fibreboard Boxes**

Boxes and trays of corrugated firbeeboard are made from a wide range of paper materials. The selection of raw materials to be used for corrugated boxes is extremely important. Unbleached, virgin coniferous kraft is *most* appropriate for liner materials. It



has a high tearing resistance and stiffness and a low rate of moisture absorption from the air. The quality of the fluting material is crucial to the performance of the corrugated board. The most appropriate material for fluting is semi-chemical deciduous paper which combines good production and functional properties.

To permit the ventilation necessary for most distribution modes, ventilation holes are usually provided in fruit and vegetables boxes. Careful attention must be given to the number, size, shape and position of these holes to ensure that the box retains sufficient strength while the required ventilation is provided.

#### **B) 1) Sacks**

Sacks are traditionally made of jute fiber or similar natural materials. These have been replaced by sacks made of synthetic materials and paper, due to cost factors, appearance, mechanical properties and risk of infestation and spreading of insects.

Thus an ideal packing is one which ensures safe arrival of goods at destination. It must be strong enough to protect its contents against hazards like dampness, rough handling, stacking, improper storage and pilferage.

However, packing should not be such as to add unnecessarily to freight expenses or to import duties in countries where these are levied on the basis of weight of goods.

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### **11.7 LABELLING-IMPORTANCE AND MECHANISM**

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The label may be a simple tag attached to the product or an elaborately designed graphic which is part of the package. The label might carry only the brand name or a great deal of information. Even if the seller prefers a simple label, the law may require additional information.

Labels perform several functions. At the very least; the label identifies the product or brand. The label might also grade the product. The label might describe several things about the product: who made it where it was made, when it was made, what it contains, how it is to be used, and how to use it safely. Finally the label might promote the product through its attractive graphics. Some writers distinguish between identification label, grade labels, descriptive label, and promotional labels.

Companies should make sure that their label contain all the required information before launching new products.

Labels are broadly of two types. Internal labels are those that used in the course of manufacture and testing and External labels are those which appear on or accompany the final products as they reach the consumer. In both types of labels the two factors to be considered are:

- The printed matter on the label which constitutes the copy.
- The presentation of the copy of label design.

With internal labels the adequacy and accuracy of the contents take precedence over the aesthetics of the label. .

In fact, it is a punishable offence to import, manufacture, sell or distribute any product which is misbranded. A product is deemed to be misbranded if *inter alia*.

- it is not labelled in the prescribed manner or
- Its label or container or anything accompanying the product bears any statement, design or device, which makes any false claim for the drug or is misleading in any particular manner.

Labelling of finished products, demands an equally high degree of work discipline with rigorous control systems, as any other area of product production.

Insufficient attention and inadequate precautions in labelling products have resulted in mix-ups, serious mishaps and product recalls.

#### **General Requirements**

One of the first stipulation of labelling rules states that, the mass of information to be given, must appear on the innermost container of a product and on every other covering in which



the container is packed. This information must be either printed or written in indelible ink and appear in a conspicuous manner for drugs sold, or distributed in the country.

Since trade names are permitted for almost all products; the symbol R enclosed in a circle, must be printed on the right hand top corner of the brand name to indicate that the name is a registered one; the legend R-Registered Trade Mark, must also be printed at the bottom of the print are of the label.

The statement of the net content in terms of weight, measure, volume, number of units of contents; number of units of activity is expected to be correct.

The name of the manufacturer and the address of the premises where the product has been manufactured, must also be carried on the label.

### **Storage Precautions**

Whatever storage conditions are necessary for preserving the product, such as protection from light, prevention of freezing of certain products, should be clearly indicated in a prominent place, so that it does not escape the attention of retailer or consumers. For example, in the case of a carton, a flap or principal display panel would be the ideal place for printing these details.

### **Label Change Control**

Revisions in the content of labels are usually made in response to regulatory changes and very rarely due to changes in company policy.

A well documented change control system is essential for proper identification of labels, which in turn, will facilitate the removal of obsolete labels from stock and ensure the use of only current version. Such revisions can be well taken care of by an alpha-numeric loading system for all printed packing materials. Approved changes to label copy must be indicated on the label itself, by either altering the code number of the label each time a provision is made or, by adding a consecutively numbered prefix or suffix to the code number.

Better alternative would be the bar coding system which is compatible with computers and serves the purpose of not only identification, but also of stock control, distribution of finished product, billing and accounting. With bar code readers, the wrong labels can be detected and picked off the packing line. .

After the label copy has been drafted in strict adherence to labelling rules, the next problem is how to fit all the copy matter in the space available and at the same time, make the label as attractive as possible.

Another difficulty is how to provide space for information about batch and price details. That can be given only just prior to packing the product or while packing. This information is usually overprinted on the labels. The positioning of the space for these details must be predecided while designing the label layout.

Yet another critical requirement is to suitably differentiate between apparently identical labels -a likely event when house colours and designs are adopted to prevent mix-ups and errors in labelling.

Other aspects of label design are the quality of paper or board used, the colour shades, copy panels, print types, illustrations if any, and the overall aesthetic presentation.

Internal labels used on materials, equipment, manufacturing vessels, and bulk product containers, at various stages of manufacture, also need to be properly designed and handled.

It is a basic requirement that no material intended for the manufacture and packing of a drug or drug product, is received without a label. The label should not only indicate the identity of the article, but also carry any statutory label details of the raw material as -provided by the manufacturer. Besides, current good manufacturing practices (GMP) requires that, the quality status of each and every material lying in the stores, must be known at all times.





The usual practice is to examine the physical condition of the supply including the labels on all containers. A decision is then taken, whether or not to accept the consignment for subsequent quality control stages of sampling, testing etc. If the supply is to be taken into the warehouse, it is necessary to isolate it from other materials and, to the extent possible, segregate it in terms of batch numbers, which are given by the manufacturer. Thereafter, every batch of the material must be labelled to indicate that the supply is "TO BE SAMPLED" or is "UNDER TEST".

The "UNDER TEST" label should be designed to indicate its nature, have a distinctive identification code and colour or, colour brand (optional). The label must normally provide for the entry of the following details:

- The company name or logo
- Name of the material
- A unique identifying number
- Container number (assigned by the sampler, as a number among the total number of containers).
- Samples by and on
- Batch number

#### Activity 4

Comment on the company's strategy in planning its labelling decision. How does it confirm to and help in communicating the specific brand attributes. Study a change in labelling of any 5 products in recent past that attracted consumer attention and comment how well it has been able to communicate the change in brand attributes.

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## 11.8 FUNCTIONS OF PACKAGING

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On the basis of the readings, so far, we can draw out a list of functions performed by packing:

### i) Protection

The primary function of packaging from times unmemorial has been protection of the product from being destroyed or spoiled through environmental hazards. These include breakage/damage due to rough handling protection from extreme climatic conditions such as heat, cold, monsoons; protection from contamination or absorption of moisture etc.

### ii) Differentiation/Positioning

In recent times when more and more products belong to the "me-too" category it is packaging which lends a different positioning to the product. It offers consumers newer benefits enabling differentiation of the product.

### iii) Packaging for Promotion

Packaging is largely used as a promotional tool. Several schemes like offering of discount on purchase of certain number of packages, offering accessories for the product along with the packaging are introduced by the marketer to make the product

more appealing e.g., children's products like chocolate offer certain gifts like games, toys etc. on collection of a certain number of wrappers. Small samples of new products are often offered along with existing product of the company e.g., offer of D-cold inhaler with Borosoft cream. Also at times the package is made attractive by making it reusable e.g., jugs offered by Brooke Bond and designer bottles by Nescafe etc.

#### iv) **Packaging for Pricing**

When a company plans to launch a product in the premium market it can do so by giving it in a premium package. The package enhances the value of the product which if placed in an ordinary package would not be appealing to the target consumer. Also, at times, a package smaller than the regular size and shaped oddly may be priced higher and yet achieve the desired effect e.g., selling of Ketchup by Maggi in 400 gm. bottles compared to the usual 500gms.

#### v) **Packaging for Convenience**

The package is designed keeping in mind the distribution channel it has to pass through. It tends convenience to the producer, wholesaler, retailer as well as the final end-user with respect to stocking, displaying, occupancy of shelf space, reusability and disposal.

Packaging has thus emerged one of the most potent marketing tools in recent times. Product successes have come to be closely related with new packaging successes rather than new product innovations.

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## 11.9 PACKAGING STRATEGIES

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### **Changing the Package**

In general, management has two reasons for considering a package change—to combat a decrease in sales and to expand a market by attracting new groups of customers. More specifically, a firm may want to take advantage of new materials. Some companies change their containers to aid in promotional programmes. A new package may be used as a major appeal in advertising copy or because the old container may not show up well in advertisements.

### **Packaging the Product Line**

A company must decide whether to develop a family resemblance in the packing of its several products. Family packaging involves the use of identical package for all products or the use of packages with some common feature. Shahnaz, Herbal, for example, uses virtually identical packaging generally parallels its feelings about family banding. When new products are added to a line, promotional values associated with old products extend to the new ones. On the other hand, family packaging should be used only when the products are related in use and are of similar quality.

### **Reuse Packaging**

Another strategy to be considered is reuse packaging. Should the company design and promote a package that can serve other purposes after the original contents have been consumed? Glasses containing coffee can later be used to serve fruit juice. Baby food jars, make great containers for small parts like nuts, bolts and screws. Reuse packaging also should stimulate repeat purchases as the consumer attempts to acquire a matching set of containers.

### **Multiple Packaging**

For many years there has been a trend toward multiple packaging or the practice of placing several units in one container. Dehydrated soups' custard packs, golf ball, building hardware, chocolate, towels, and countless other products are packaged in multiple units. Test after test has proved that multiple packaging increases total sale of a product.



### **Legal aspects of packaging**

The labeling laws require safe packaging and warning labels on hazardous materials such as poison and other substances. A package must necessarily give complete information about:

- 1). Date of manufacture
- 2). Date of expiry
- 3). Guarantee period
- 4). Batch No.
- 5). Volume/Weight of contents
- 6). Name of manufacturer
- 7). Instructions how to open it
- 8). Trademark of manufacturer
- 9). Price

as the case may be.

For certain edible products a standard size of package is to be used. In India food products are often compared to AGMARK standards and if a product conforms to one it should be notified on the package. Other products are compared to ISI standards which should again be mentioned on the package.

It is illegal to copy the packaging design of the competitor but there are several instances of similar looking designs of a successful product being copied by competitors. The recent HTA v/s LINTAS war for Cihthol (Lime) v/s Liril clearly brings out packaging wars between competitions. Both, Cinthol (Lime) Soap and Liril (Lime) Soap have been introduced in similar light green wrappers with identical pictures of lime. The case about who has copied whom has not yet been solved.

### **Cost Effectiveness of Packaging**

While packaging is essential for a product it should not become an unnecessary evil. It is important to study and compare the costs involved in packaging against the benefits generated additionally. The various alternatives to be considered are:

- i) Whether to have an ordinary packaging or an expensive one;
- ii) Whether to package goods oneself or give an outside contract;
- iii) Whether to purchase packaging machinery or package manually, in certain cases;
- iv) Whether the benefits available to the consumer through the packaging are really tangible or not i.e., whether or not they would be ready to pay additionally for the benefits;
- v) According to the marginal curve there exists an inverse relationship between packaging costs and increase in sales. After certain point it is no longer beneficial to incur more packaging costs. It is necessary for the marketer to determine this limit

### **Social Aspects of Packaging**

- 1) In an economy like ours which requires every rupee for its development unnecessary packaging to attract consumers can be considered a waste of resources. Fancy expensive packaging not only raises the cost of the product to the consumer but also of times the cost of the package is higher than the cost of the contents. Packaging should be limited to functions of protection and holding rather than a tool for advertisement. Another stream of thought, however, is that ordinary packaging would necessarily diminish the edge of competitiveness and the drive for innovation would no longer exist. Thus, packaging up to a certain limit can be used as a marketing tool but its excessive use would be self-defeating.



## 2) Pollution

Disposal of consumer packaged goods after they have been utilised results in piling up of solid waste. This creates unnecessary pollution in the environment resulting in ecological imbalance. Certain type of packaging material *is* difficult to destroy and *is* not reusable also. In the present day situation when each drop of water is precious and every space of land is important it is a crime to pile up unnecessary scrap of tins, cans and boxes.

### Some socio-economic criticisms of packaging are

- Packaging depletes our natural resources. This criticism is offset to some extent if packagers increasingly make use of recycled materials. Another offsetting point that effective packaging reduces spoilage (another form of resource waste).
- Packaging is excessively expensive. Cosmetic packaging is often cited as an example here. But even in seemingly simple packaging-tinned fruit for example-half the production cost goes for the container. On the other hand, effective packaging reduces transportation costs and losses from product spoilage and spillage.
- Health hazards occur from some forms of plastic packaging and some aerosol cans. Government regulations have banned the use of several of these suspect packaging materials.
- Packaging is deceptive. Government regulation plus improvement in business practices regarding packaging have reduced the intensity of this criticism, although it still is heard on occasion.

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## 11.10 SUMMARY

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Dating back to primitive times when it was used primarily as a protective device, packaging has evolved as the fifth P of marketing. The unit discusses the basic concept of packaging, the functions and strategies of packaging and as an excellent tool for product identification and product differentiation. Besides, the legal and social aspects of packaging have also been discussed.

As labelling and packaging go hand in hand, the importance of labelling both to the seller and the buyer has been covered for better promotion of a product.

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## 11.11 SELF-ASSESSMENT QUESTIONS

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1. Discuss the importance of packaging as a tool for product differentiation and market cultivation.
2. Packaging has been criticised as being expensive, giving no additional value and often deceptive. How would you justify marketers use of packaging.
3. Discuss the importance of labelling both from the sellers as well as the buyers point of view.
4. Packaging is considered as the 5P of marketing mix. What are its implications on the PLC. Discuss.

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## 11.12 FURTHER READINGS

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Robert G. Cooper, *Winning at New Products*, Kogan, Page 120; Pentoville Road, London, 1989.

G.L. Urben and J.R. Hauge, *Design and Marketing of Nety Products*,. Englewood Cliff, J.N. Prentice Hall, 1980.

Philip Kotler, *Marketing management* - 11th edition 2002-PHI-New Delhi.