

**PACKAGING AND PRODUCT SALES ON BUSINESS FIRMS**  
**A CASE STUDY OF CENTURY BOTTLING COMPANY MUKONO**

**BY**

**OWILLI IVAN**

**BSP/38691/123/DU**

**A RESEARCH REPORT SUBMITTED TO THE COLLEGE OF ECONOMICS**

**ID MANAGEMENT FOR PARTIAL FULFILMENT OF THE REQUIREMENT FOR THE AWARD**

**OF A BACHERLORS DEGREE IN SUPPLIES AND PROCUREMENT**

**MANAGEMENT OF KAMPALA INTERNATIONAL**


**UNIVERSITY**

**MAY, 2015**

**DECLARATION**

I **OWILLI IVAN** declare that this dissertation report is my own original work and has never been produced by anyone except me.

**SIGN**

~~07/07/201~~   
.....

**DATE**

07/07/2015  
.....

**OWILLI IVAN**

**APPROVAL**

This research report which is ready for submission was done under my guidance and supervision.

SIGN  .....

DATE 07<sup>th</sup> JULY 2015 .....

**MS.KABASINGUZI CHRISTINE**

**SUPERVISOR**

## **DEDICATION**

I dedicate my research report to my lovely parents Mr. Lowoth Cosmos and my Mother Mrs. Lowoth Margaret for the great support they are doing to see that I live an admirable future.

## TABLE OF CONTENTS

DECLARATION.....	i
APPROVAL.....	ii
DEDICATION.....	iii
TABLE OF CONTENTS.....	iv
ACKNOWLEDGEMENT.....	viii
ABSTRACT.....	ix
CHAPTER ONE.....	1
1.0 Introduction.....	1
1.1 Background of the study.....	1
1.2 Purpose of the study.....	4
1.3 Statement of the problem.....	4
1.4 General objective.....	5
1.4.1 Specific objectives.....	5
1.5 Research questions.....	5
1.6 Significance of the study.....	5
1.7 Scope of the study.....	6
1.7.1 Subject scope.....	6
1.7.2 Geographical scope.....	6
1.7.3 Time scope.....	6
1.8 Limitations to the study.....	7
CHAPTER TWO.....	8
LITERATURE REVIEW.....	8
2.0 Introduction.....	8
2.1 Contribution of packaging to increase in sales volumes.....	8
2.2 level of attractiveness of packages in sales increase.....	10
2.3 Factors considered when developing a package.....	14
METHODOLOGY.....	18
3.0 Introduction.....	18
3.1 Research design.....	18
3.2 Study area.....	18

3.3 Study of the population.....	19
3.4 Sampling size and method.....	19
3.5 Sources of data.....	19
3.6 Research instrument .....	20
3.7 Data quality control .....	20
Validity .....	20
Reliability .....	21
3.8.1 Data analysis, presentation and interpretation.....	21
CHAPTER FOUR .....	22
PRESENTATION, INTERPRETATION AND DISCUSSION OF FINDINGS .....	22
4.0 Introduction .....	22
4.1 Background information .....	22
SUMMARY, CONCLUSION AND RECOMMENDATIONS .....	36
5.0 Introduction .....	36
5.2 Conclusion.....	37
5.3 Recommendations .....	37
5.4 Area of further research.....	37

## LIST OF TABLES

Table 1: Respondents Gender .....	22
Table 2: How long have you worked at the plant .....	23
Table 3: Which department at the plant do you identify yourself with .....	23
Table 4: which age group do you fall in among the following age groups .....	24
Table 5: what is your level of education .....	24
Table 6: Do you think packaging is of great importance in products sales volumes .....	24
Table 7: Do you think organizations should invest more in packaging activities .....	25
Table 8: Do you think packaging contributes to an increase in sales volumes .....	25
Table 9: Creative problem solving .....	26
Table 10: Helps in shipment and transportation of products .....	26
Table 11: protection and storage of products to provide convenience .....	27
Table 12: Cheapest and quickest way to adapt a product to markets .....	27
Table 13: Provision of information about the product in question .....	28
Table 14: Should packaging materials be attractive to influence sales .....	28
Table 15: Package sizes increases attractiveness of packaging materials and product sale.	29
Table 16: Trade name and label designs increases attractiveness in packaging materials and product sales .....	29
Table 17: The shape of the package increases attractiveness of packaging materials and sales .....	30
Table 18: Package design increases attractiveness of packaging materials and sales .....	30



Table 19: Do you think there are factors that need to be considered when developing packaging materials .....	31
Table 20: Do you think the factors that need to be considered in developing a package influence product sales .....	31
Table 21: Environmental factors .....	32
Table 22: Health and safety concerns .....	32
Table 23: Consumers appeal on the package .....	33
Table 24: globalization .....	33
Table 25: logistics factors (transportation considerations) .....	34
Table 26: Table 26: New technological progress .....	34



## **ACKNOWLEDGEMENT**

I owe a debt of gratitude to many people, who helped me complete my research report, my lovely sister Acheng Dorcas, my parents Mr. Lowoth Cosmos and Mrs. Lowoth Margaret, my supervisor Ms. Kabasinguzi Christine for her intellectual capital and ability to guide, demonstrate relevant procurement principles to me, you are a person with an ever present smile and always been a joy to work with. May the Almighty God bless you abundantly.

## ABSTRACT

The topic of the study was packaging and product sales of business firms with Century Bottling Company being the case study. The researchers interest was to find out whether packaging contributes to increase in sales volumes, to find out how the attractiveness of packages influence sales and to ascertain the different factors to consider when developing a package. The researcher used questionnaire as a data collection method. Qualitative and quantitative research methods were used to have deep insight into the view of the respondent on the impact of packaging to product sales of business firms. The researcher also used qualitative and quantitative research design, the study was a case study which was an intensive descriptive, and holistic analysis of a single entity; the bounded case. The study population was 50 respondents out of 664 employees from various departments of century bottling company; it was aimed at studying a single entity in-depth in order to gain insight into the larger cases. The researcher analyzed the data collected from the field using micro soft office excel. From the study, all respondents were aware of packaging of products and think it's a great contributor to increase sales of products. The respondents also argued that attractive packaging materials and other factors like environmental factors, health concerns, and value addition among others need to be considered when developing packaging materials in order to increase on the sales of products of business entities. The researcher also recommends that business firms should invest more in creative packaging ideas so as to help solve the challenges which can't be eliminated by other areas of marketing.

# CHAPTER ONE

## PROBLEM AND ITS SCOPE

### 1.0 Introduction

This chapter covered the background of the study, statement of the problem, study objectives, research questions and the significance of the study.

### 1.1 Background of the study

The Coca Cola Empire was founded in 1886. This was the year that John C. Pembert an Atlanta Georgia (USA) pharmacist developed Coca cola a carbonated soft drink. Following a strategy of national and international expansion, the company by the late 1980s was the largest producer and distributor of soft drink syrups and concentrates. The company products were sold through bottlers, fountain wholesalers and distributors in more than 155 countries. Soft drinks generated approximately 81% of operating revenues and 96% of operating income in 1987. (Marketing Management by Cravens, Lamb, Crittenden (1996).

In the past, there was little need for packing of goods and services either for storage or transportation. Nature provided gourds, shells and leaves if packaging was to be done. Containers were fashioned from natural material such as hallowed logs, woven grass and animal organs like bones.

P. Fawcett. E'tal (1992 pg 96) defines packaging as a function vital to most effective material handling process, and the need for it depends on the basic state of the commodity or good being handled. The basic roles of packing include containment, protection and information among other roles.

Roman G. Hiebing, JR & Scott W. Cooper (1990 pg 139) therefore define packaging as the inside and outside environment that houses and dispenses the product or service and helps to communicate the company's attributes and image.

Packaging was often taken for granted due to the fact that most organization believes that it's an additional cost to the running and operation of the organization.

Packages are a result of many years of innovation. Packaging developments can be reviewed from the times then to now and categorized as Paper and paper products.

Placing packages into categories is intended to describe as flexible, semi flexible and rigid. Flexible packages include paper sacks that dog food came in, plastic bags that hold potato chips or paper and plastic that we to carry home our packages.

Semi flexible packages mainly in the form of paper board boxes that cereals, many food crops, small house hold items, toys are packed in.

Rigid packaging materials mainly made for non-food items. Most of these packages slip inside and hold the product and its accessories in one position. They include crates, glass bottles and metal cans among others.

Flexible packages have the least amount material used compared to other forms of packaging. Flexible packaging was started by Chinese and they specifically used sheets of treated mulberg bark to wrap food as early as the first and the second century and by around 1310 it was introduced in England.

Packaging advanced in the early 20<sup>th</sup> century and included Bakelite closures on bottles, transparent cellophane over wraps and panels on cartons, increased processing efficiency and improved food safety. As additional materials such as aluminum and several types of plastic were developed, they were incorporated into packages to improve performance and functionality.

Coca-Cola's history has got a lot of bottles, more than 115 years' worth, in fact. The world's favorite soft drink started life as a soda fountain beverage, selling for five cents a glass, but it was only when a strong bottling system developed that Coca-Cola became the world-famous brand it is today.

In 1894, A modest start for a bold idea began when a Mississippi shop owner Joseph A. Biedenharn began bottling Coca-Cola after he was impressed by its sales. He sold the drink to his customers in a common glass bottle called a Hutchinson. At the time Biedenharn sent a case to Asa Griggs Candler, who owned the Company. Candler thanked him but took no action. One of his nephews already had urged that Coca-Cola be bottled, but Candler focused on fountain sales.

In 1916, we saw the birth of the contour bottle. Bottlers worried that a straight-sided bottle wasn't distinctive enough and that Coca-Cola was becoming easily confused with 'copycat' brands. Glass manufacturers were approached to come up with a unique bottle design for Coca-Cola. The Root Glass Company of Terre Haute, Indiana, designed with the famous contour shape, which won enthusiastic approval from Coca-Cola in 1915 and was introduced in 1916.

In 1923, six pack carriers of Coca-Cola bottles were introduced to encourage people to take their drinks home and were a huge hit.

This was followed in 1928 when the bottles overtook the fountain. For the first time, the volume of Coca-Cola sold in bottles exceeded the amount sold through soda fountains.

The media moments in 1950 were when the Coca-Cola contour bottle was the first commercial product to appear on the cover of TIME magazine, establishing Coca-Cola as a truly international brand. Also this year, the first television advert featuring Coca-Cola's contour bottle appeared during CBS' The Edgar Bergen-Charlie McCarthy Show.

In 1955, there was new innovation on the bottle packages. For the first time, people could buy different sized bottles of Coca-Cola. As well as the traditional 6.5 ounce contour bottle, shops also started selling larger 10, 12 and 26 ounce versions.

In 1960, a trademark (no.1) was introduced on the contour bottle with the word 'Coca-Cola' written on it received its first trademark from the US Patent and Trademark Office.

The Coca-Cola contour bottle was granted a second trademark for the contour shape itself, with no words written on it in 1977.

Coca-Cola introduced the world to the two litre PET plastic bottle. It became popular for a lot of reasons: it doesn't break; it's re-sealable, lightweight and recyclable. This kind of package was introduced in 1978

In the year 2000, Coca-Cola introduced the ultra-glass contour bottle designed for improved impact resistance, reduced weight and cost. These bottles are 40 per cent stronger and 20 per cent lighter than the original Coca-Cola contour bottle – saving approximately 52,000 metric tons of glass in 2006. It was therefore basically aimed at reducing costs.

Coca-Cola joined forces with design firms from five continents to launch a new aluminum contour bottle called the 'M5' (Magnificent 5) in the year 2005.

In 2009, green bottles were introduced and Coca-Cola launched the innovative plant bottle in the U.S, a completely recyclable PET container made with 30 per cent plant materials, including sugar cane extracts.

Plant Bottle packaging is available in nine countries with launches planned for many additional markets in 2011 and beyond. Coca Cola was on the verge of going green globally.

Finally, in 2013 Coca-Cola swaps its iconic logo with Great Britain's most popular names for the summer-long 'Share Coke campaign.

Product sales are an act of selling a product or service in return for money or compensation or service. sales can be increased by setting up sales incentive program, encourage sales staff to up sales, customer reward programs and distribution of free samples of products to customers. Selling of products can be done through direct sales, door to door sales, retail marketing and through business to business selling.

## **1.2 Purpose of the study**

The study focus was to find out the impact of packaging on product sales of business firms.

## **1.3 Statement of the problem**

Researchers like Waren J. Keegan & Mark C.Green (2005) have it that packaging has increased sales of products, product safety, storage and quality control. However other scholars like Gerald Albaum, Jesper Strandskov and Edwin Duer (2002 pg 421) present a number of challenges packaging is faced with ranging from ecological/footprint tendencies of lack of package compliance to environmental requirements, non-recyclability and reusability of package materials, lack of package compliance to health concerns, in relation to century bottling company, the difference in customers preference for packaging materials and high cost of packaging cost has led to decrease of customer attraction to products thus reducing the general sales of products by 12%,according to century bottling company 2014 annual report). It's upon

this dilemma that the researcher has been prompted to ascertain whether packaging used on products has got a positive or negative correlation in the increase of sales of products.

#### **1.4 General objective**

The general objective was to find out whether increased investment in packaging can increase on the sales of products at Century Bottling Company.

##### **1.4.1 Specific objectives**

The objective of the study was to:-

1. To determine whether packaging contributes to increase in sales volumes in century bottling company.
2. To examine the level of attractiveness of packaging in century Bottling Company.
3. To ascertain the factors to considered when developing a package in Century Bottling.

#### **1.5 Research questions**

1. Does packaging contribute to increase in sales volumes?
2. Does attractiveness of packages influence sales?
3. What are the other factors that should be considered when developing a package?

#### **1.6 Significance of the study**

The study helped the organization know the impact packaging as got on product sales of the company by enabling company know that they increased on the sales volumes of their products.

The data collected enables future researchers or readers who have interest to carry out further research in topics that relate to this by providing a guide to them and research further on areas that this study did not cover.

The research study was carried to realize that environmental sustainability is important because all the choices manufacturers make today when developing a product package the will affect the future generation (inter-generational equity).



The study was significant to the researcher in his quest for the partial fulfillment of the requirement of a Bachelors Degree of Supplies in Procurement Management. Every student must carry out a research study if he needed to graduate.

The research study was carried out to enable help provide solutions to the challenges that surround packaging in many business firms.

## **1.7 Scope of the study**

### **1.7.1 Subject scope**

The study was focused on a ascertaining the impact of packaging to sales of business firms and it covered how the attractiveness of packages can increase sales, contribution of packaging to increase in sales and factors to be considered when developing a package in order to increase sales.

The researcher measures the impact of packaging on sales by analyzing the response of interviews or employers on how consumers react adopt and buy newly packaged products.

### **1.7.2 Geographical scope.**

The study was carried out at century Bottling Company (Coca Cola). It's located in Namamve, in central Uganda most of which lies in Kira municipality in Wakiso district with portions in Mukono municipality, Mukono district along the Kampala Jinja highway, 13 kilometers from the city centre of Kampala. Namamve is in Byogerere ward, in South Eastern Kira municipality, Wakiso district, Central Uganda approximately 9.5miles by road east of down town Kampala, Uganda's largest city. It's bordered by Seeta to the East, Namilyango to the south west and South East, Lake Victoria to the South, Kirinya to the south western and Bweyogerere to the west and North West. Namamve lies within the coordinates 0.3525, 32.6875 (Latitude 00 19 09N; 32 41 15E).

### **1.7.3 Time scope.**

The study was carried out from February to May,2015. Because it fell between the range of time when Century Bottling Company used packaging materials (bottles) to house their products thus the reason to investigate whether these packaging materials influenced the sales of their products.

## **1.8 Limitations to the study.**

The researcher encountered the following challenges during the course of carrying out the study.

### **Respondent's unwillingness.**

Some respondents were not willing to disclose some information due to the fact that they feared their managers; others found some information confidential and personal to them. Some respondents also tended to act rudely to the researcher when some questions were asked. To overcome this challenge, the researcher told the respondents that the information they gave would be kept confidential and not disclosed publicly but rather used for academics purpose something that gave them confidence to freely and openly discuss with the researcher.

### **Time constraints**

Time factor also limited the researcher during the course of the research as he had to strike a balance between attending lectures and carrying on with the study. The researcher addressed this challenge by clearly positioning his time to each set of the different tasks he had to achieve in the time period provided for him.

### **Financial problems**

During the study, some amounts of money were needed to cater for transport, printing, photocopying and personal facilitation. These finances were inadequate and therefore the researcher asked for it from parents, relatives and friends to successfully facilitate the research process.

## CHAPTER TWO

### LITERATURE REVIEW

#### 2.0 Introduction

This chapter discussed in details relevant literature on the impact of packaging on supply chain and logistics success in organizations and it will basically focus on the above. The chapter will also illustrate the roles, types, challenges facing packaging activities as well as a detailed explanation of the solutions to the above challenges faced in packaging.

#### 2.1 Contribution of packaging to increase in sales volumes

Scholars like Warren J & Mark C. Green (2005 pg 344) have it that breweries, soft drink marketers and other beverage firms typically devote considerable thought to ensuring that packages speak to consumers or probably provide some kind of benefit beyond simply holding the liquid. For example a critical element in the success of Corona extra beer to export markets was the management decision to retain the traditional package design that consisted of a tall transparent bottle which made it look like it was etched directly in a glass yet at the time, the conventional wisdom in the brewing industry had it that export bottles were to be short, green or brown in color with a glued paper label. The fact that consumers were able to see the beer in the corona bottle made it seem so pure and natural to consumers. Coca Cola's distinctive colour bottles come in both glass and plastic versions that help consumers seek out for the real thing in them. The coke example also illustrates the point that packaging strategies can vary by country or region. For instance in North America where large refrigerators are found in many households, Coca Cola's latest packaging innovation there is the fridge park, a long slender carton that holds up to twelve cans of soda and the fridge park package is designed to fit in the refrigerators lower shelf with a tap provision for easy dispensing of the soda. In Latin America however, Coca Cola intended to boost profitability by offering coke in several different sized bottles like the 2 liter sized bottles, half liter and 300mls bottles availed in shelves and customers flexibly purchase what they are able to afford at a time. This is an essential factor in these days of high customer expectations as far as product quality and conditions of commodities are concerned. Total quality is the goal currently being pursued by many businesses and although this objective should also relate to internal processing within the organization, quality of the

good. All these tend to increase the sales of products in a way that consumers find more convenient for them.

Shipments moving by ocean or road transportation require more stringent packaging than domestic shipments normally do. An export shipment receives more handling in that the products are loaded at the points of origin of the product, unloaded at the dock, loaded onto the ship, unloaded from the ship at port, loaded to a delivery vehicle and unloaded at its final destination. This handling at times usually occurs under unfavorable conditions like inclement weather or use of poor material handling equipment. This scenario of repeated handling come with a lot of loop hole like spoilage of the product, reduction of value and quality among others. To ensure that all the above problems are contained, suitable package materials should be employed to house the products in shipment whether within country borders or out. Reduced damages on the product would therefore mean more of the product shall be sold off at a more efficient and effective manner. The Management of Logistics by (Coyle. Bardi. Langley 7Ed 2003 pg 174)

Another scholar by the name Gerald Albaum (2002) together with Strandkov and Edwin Duerr suggest that packaging is probably the cheapest, quickest and easiest way to adapt a product to make it more suitable for local and foreign markets. Such adaptation's goes beyond the matter of language and involves the question of altering appeals. The issues relevant to marketing revolve around the relative importance of the packages dual roles of protection and promotion. While protection is important, a package promotional power cannot be ignored and this has got a great impact in enhancing an increase in the sales of the product for the package design can do more to express and present a product in a way that is preferred by consumers in each market. The package must be convenient and easy for buyers to use, attract their attention, provide identity for the product and provide reasons for customers to buy the product.

Another scholar by the name of Berkowitz, Kerin, Hartley and Rerdelis (1997 pg 337) say packaging as functional benefits. Packaging often plays an important function role such as convenience, protection or storage. For example Quaker state has changed its oil containers to eliminate the need for separate spout and Borden has changed the shape of its Elmer's Wonder Bond adhesive to prevent clogging of the spout. Richard Simmons salad is sold in a pump top bottle, and micro wave popcorn all in the name of increasing convenience something that as seen a major success in the growth of market of this products. The protection function of packaging

also allows for consumer protection as products mainly come with a seal which implies they have not been tampered with and are fit to be consumed while those with damaged seals are noted to either been tampered with or basically taken to be unsafe for consumers and should always refuse such products not to compromise with their lives. The packages used by coca cola therefore offers convenience, protection and storage of its products which has made it easy for them to easily sell their products with reduced defects thus enhancing more sales.

Dillon, Madden and Fortler (1994 pg 595) say there some very good reasons to focus on the efficacy of a package. The package is a piece of information that every customer sees. In fact, it has been estimated that an average package for instance in a supermarket generates approximately 15 billion exposures per year. They also say today's shoppers and shopping environment also point to the importance of packaging and other point of purchase displays for its sure that one simply has to look at the influence of that packaging and point of purchase it has on the successful increase of the sales of any product. As a result, customers may buy more of the product that is available on shelves or market.

According to Roman G. Hiebing, JR & Scott W. Cooper (1990 pg 140), they suggest that one of the benefits of packaging is that it helps in creative problem solving. Creative packaging ideas can help solve problems which cannot be eliminated by other areas of marketing or advertisements. The size and shape of the package may enhance the retailer's propensity to stock the product. The size, shape and visual appearance can lead to increased awareness and use of the product by consumers due to the added convenience, life style association, and attention getting graphics or the overall usefulness in terms of functions of the product. This literally means that packaging can inhibit consumption of the product and changes may result to increased sales. For example, the soft drink industry faced a problem presented by the clear plastic one liter bottle; it was natural to drink the last quarter of the drink in the bottle much more slowly than the first part of the bottle since consumers would see the transparent lower part of the bottle and reduce on there or drink sparingly.

## **2.2 level of attractiveness of packages in sales increase.**

According to J. Paul Peter (2008 pg 399), Package sizes can influence not only which brands consumers choose but also how much of the product they use on particular occasions. In general,



consumers believe that larger package sizes offer lower unit costs and as such may be willing to use their contents more freely than from smaller packages. Consumers may also use contents of smaller packages more sparingly to avoid the hassle of a trip to the store or pantry in order to get more of the product in short term. Larger packages and larger home inventories of products may also increase the frequency of product usage. For example if a consumer has a large box of 10 cans of Campbell's tomato soup in the pantry, more occasions for use may be found because the products are readily available and convenient. An interesting issue is whether the size of a pour or diameter of a packages opening influences how much of the product is used on a particular occasion. Although there is no evidence that it does not, many consumers seem to use more toothpaste and shampoo when the product is dispensed from a container with a larger opening, many also believe that the beer or soda drunk from big mouth cans is consumed more rapidly than from conventional openings

In addition, J. Paul Peter (2008 pg 399) also suggest that the package itself, package colors are thought to have an important impact on consumers affect, cognition and behavior. This impact is more than just attracting attention by using eye catching colors (like tides of orange). Rather, it has been argued that package colors connote meaning to the consumers and can be used strategically. For instance, the color of the Ritz cracker box was changed to a deeper red trimmed with a thin gold band. This change was made to appeal to young, affluent consumers. Microsoft Corporation changed its software packages from green to red and royal blue because consultants argued that the green color was not eye catching and connoted frozen vegetables and gum to consumers rather than high tech software. Swanson also dropped the turquoise triangle form its frozen dinners because the color was thought to give the product a dated 1950s look. Canada Dry changed the color of its cans and bottles of sugar-free ginger ale from red to green and white when consultants claimed that red sent a misleading 'cola' message to consumers. Dry sales were reported to increase 25% after this color change. It has also been reported that consumers perception of products may change with a change in package color for example when designers at Berni Corporation changed the background hue on Barrelhead sugar free root beer cans from blue to beige, consumers reported that the product tasted more like old fashioned root beer, even though the beverage remained the same. Similarly, consumers ascribed a sweeter taste of orange drinks when a darker shade of orange was used on the can or bottle. All these examples on

package colors indicate the influence package attractiveness on the sales of the products they house.

Packaging is such an important identification device that some companies use the same package and label design for years. Why because the unique combination of trade name, or trade character, reinforced by the package design, quickly identifies the products brand and differentiates it from competitors. For example the traditional contoured Coke bottle was so unusual and popular that in the 1990s Coca Cola reintroduced it to U.S markets. The company never stopped using it in many international markets with Uganda being inclusive because it differentiated Coke so well other Cola products. Packages must offer high visibility and legibility just to penetrate shopper's psychological screens. Product futures must be easy to read, and color combinations must provide high contrast to differentiate the product. To penetrate consumer's psychological screens, the package design must reflect the tone, image and personality of the product concept. In many product categories like that of wine and cosmetics, the package quality and attractiveness largely determines the consumers perception of the product quality something that may end up influencing them to buy the product.

William F. T. Arens (2008) also brings forward another attractive pillar that can enhance the sales of the product to be the package the shape. A package shape also offers an opportunity for consumers to appeal based on whimsy, humor or romance. For instance heart shaped packages of Valentine's Day candy instantly tell what the product is and the purpose its intended for. Some companies design packages with a secondary use in mind. Kraft cheese jar once emptied can be used for serving juice. Some tins and bottles even become collectible. These packages are really premiums that give the buyer extra value for the money they have spent.

According to Orth, Campana and Malkewitz information of Consumer Price expectation based on Package Design," "A central premise of the current research is that consumers form an expectation of an offer's price based on visual cues inherent in the package. For advertising visual cues, researchers have repeatedly established that attractiveness relates positively to quality judgments; this positive attractiveness-quality relationship is known as the "beautiful is good" stereotype. The equation of beauty with quality manifests itself in almost every form of advertising: be it a beautiful woman endorsing a shoe brand or a handsome man modeling watches, advertisers have long recognized the influence that beauty has in consumers' perception



of a product's quality; this is also the case with packaging. According to contemporary marketing theory research, package design has the ability to generate affect and create value: "Especially when consumers are unable to try a product prior to purchase, the visual appearance of a package assumes a key role in the decision making by providing information about the aesthetic value delivered by the product. Moreover, in two recent consumer marketing studies, it was found that when product alternatives are perceived as similar in quality and price, consumers prefer the more aesthetically appealing alternative. Researchers conclude: Better packaging does indeed positively impact product valuation. In two separate studies, it was found that appealing packaging led to increased selling price and choice/purchase price for an object as compared to the same object in an ordinary package. Attitude toward the object was also superior when it was presented in the appealing packaging.

So what does this mean for how package design dictates product sales? If consumers expect higher prices for brands whose package design creates impressions of high quality?

Packaging plays a major role when products are purchased. It is the first thing that the consumer sees before making the final decision to buy. The importance of package design increases with the arrival and popularization of self-service systems. Here, Cervera Fantoni (2003) says that packaging is on the foreground in attracting attention and causing the purchase. (Ampuero & Vila 2006, p. 101.) Self-service has transferred the role of informing from the sales assistant to advertising and packaging. Vidales Giovannetti (1995) deems that this has become the reason, why packaging is called the "silent salesman" which provides necessary information about the product, its quality and benefits (Ampuero et al. 2006, p. 101).

Underwood et al. (2001) deem that pictures are more effective than the text when the package wants to stand out and differentiate itself from the competitors' products. Consumer's process visual information quickly compared to words (Gofinan et al. 2010, p. 157).

The rhythm of life accelerates and the amount of time spent on making choices decreases. People live in a rush, in big cities and are under higher levels of perceived time pressure. Thus, they purchase fewer products than they intend to. Hausman (2000) says that products purchased often appear to be chosen without prior planning and represent an impulsive buying decision (Silayoi et al. 2007, p. 1498). Here, the package design that attracts consumers at the point of sales assists

them in making decisions quickly in the store (Silayoi et al. 2007, p. 1498). The eye-catching package has more opportunities to be noticed and chosen against the competitors and be purchased.

### **2.3 Factors considered when developing a package.**

From historical facts, it is known that the package has been utilitarian. It has had specific attributes and special functions which nowadays are changed or replaced with more convenient and functional elements. There are many internal and external factors that have influenced the package and package design throughout their existence. The result of these developments is presented and can be observed by consumers in the supermarket. Nevertheless, packaging still continues to improve and progress.

The environment is an important issue for all business areas. Nowadays, Governments, official institutions and international companies around the world pay attention to environmental problems and suggest ideas for solving them. Many countries have introduced legislation and regulations for certain material usage or certain trade practice implementation. The European Union (EU) for example has implemented legislation which requires companies to behave in a manner compatible with environmental conservation (Rundh 2009, p. 990). The packaging directive describes the minimization of waste and the amount of recycled packaging material. EU (2006) says that the directive introduces important restrictions and promotes energy recovery, re-use and recycling of packaging (Rundh 2009, p. 990).

New logistics solutions are developed due to packaging, which is also a key factor for adaptation for logistics reasons. Packaging and packaging design is a key factor that drives the development of modern distribution systems of beverage products (Rundh 2009, p. 991). Even in breweries and beverage industries, package materials should be able to match the logistics and distribution requirements so as the products are safely delivered to where they are needed.

William. T. Arens, Micheal K. Weigold and Christian Arens (2008) in their book of Contemporary Advertising 11 edition look at consumer appeal as another factor to consider when developing a package a consumer appeal in the packaging. This may come as a result of many factors like size, color material used and shape among others. Certain colors have special

meaning to consumers and it's not uncommon that even a small subtle change in the package color could result in as much as 20% change in sales. In this age of environmental awareness, green marketing is an important factor to consider for it's an issue to many consumers and government bodies. In fact new packaging has made ecological safe packaging available and affordable for many product categories. Many companies now advertise their packages as environmentally friendly.

New technology and technological progress in coating and laminating facilitates the enlargement of new materials and combination of materials with better properties. This factor assists the development of new packaging products. Development of printing and printing technology is also a driving factor. Sörensen and Widman (2006) say that suppliers of packaging equipments also develop packaging and its design. The development of radio frequency identification technology creates the opportunity for new packaging solutions within distribution systems. (Rundh 2009, p. 991.)

Consumer influences is another factor to consider. Consumer behavior is influenced by demographic and lifestyle factors. The consequences of demographic factors are an ageing population and an increasing number of people who are moving and living in smaller households (Packaging Federation 2004b; Rundh 2009, p. 990). The changes in household sizes also influence the consumer lifestyle. The number of people eating out, as well as the "healthy eating" and sporting activities phenomena changes the society. Accordingly, due to the significant changes, marketers and designers must adapt the package and package design to the consumer's preferences and needs, as well as the visual perception and satisfaction with an actual product.

Internationalization and globalization have a significant effect on the products and consumer behavior. Due to growth of international trade, many products and services are now offered worldwide. Cateora & Graham & Ghauri (2000) tell that the international products and brands are marked in a standardized way, whereas other goods need to be adapted to local requirements and preferences (Rundh 2009, p. 990). The role of packaging design in the case of internationalization and globalization is to make the product seem different and innovative. In

Uganda for example products and their package materials should be satisfied by the Uganda bureau of standards.

Berkowits, Kerin, Hartley and Rerdelis (1997 pg 339) explain the environmental factors as a sensitive issue because it's not just a local but also a world concern that there is growth of solid waste and the shortage of viable landfill sites, the amount, composition and disposal of packaging materials continue to receive much attention. Recycling packaging materials is a major thrust for example spin and span liquid cleaner is packaged in a 100% recyclable material and other firms such as the UK retailer Sainsbury emphasize the use of less packaging material.

European countries have been trend setters concerning packaging guidelines and environmental sensitivity and these guidelines now exist in provisions governing trade out and within European Union. In Germany for instance, 80% of packaging materials must be collected and of the 80 % of the collected package materials should be recycled or reused to reduce solid waste landfill. Firms are increasingly investing on life cycle analysis to examine the environmental effects of packaging at every stage from raw material source through production to distribution and disposal. A classical example of this was the decision by McDonald to abandon the use of polystyrene for packaging and rather adopt use of environmental friendly packages like papers to wrap products as they used it for wrapping there hamburger. In Uganda for example, a ban was once imposed on the use of polythene bags "kaveras" and firms and industries have also been probed to manufacture environmentally friendly packages.

Berkowits, Kerin, Hartley and Rerdelis (1997 pg 339) also look at another factor as that of health and safety concerns. Today, majority of consumers believe and emphasize that companies should make sure that products and there packages are safe regardless of the cost and companies are responding to this call in numerous ways. For instance studies by a US food and drug administration suggests that micro wave heating of some packages can lead to potential cancer because it seeps into the food products. Another example is that of butane lighters sold today such as those sold by BIC that contain a child resistant safety latch to prevent misuse and accidental fire all directed towards ensuring health and safety of consumers. A local example is that when the Coca Cola Company requires that their bottles be returned back to allow for reuse,

recycling and proper disposal in a way that it will not cause harm to both humans and the environment in which they leave.



## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.0 Introduction**

This chapter presented the methodology that the researcher used in the process of carrying out the study. It further presented and discussed the research design, area and population of the study, sampling process and sampling size, sources of data, methods of data collection, data analysis and interpretation.

#### **3.1 Research design**

According to Ahuja (2009), research design is defined as planning the strategy of conducting research. It plans as to what is to be observed, how it's to be observed, when/where it is to be observed, why it is to be observed, how to record observations, how to analyze/interpret observations, and how to generalize. It is thus a detailed plan of how the goals of research will be achieved. A research design was important to the researcher in that it reduced time wastage and costs since all the activities in the research are were planned; it also helped in giving useful conclusions in the form of hypotheses/theories.

The researcher used cross section survey design because the researcher collected data in a period of one week in the different departments of Coca Cola Company. At the same time, qualitative and quantitative research methods were used to have deep insight into the views of the respondent on the impact of packaging to product sales of business firms.

Under the qualitative research design, the study was a case study which was an intensive, descriptive, and holistic analysis of a single entity; the bounded case. It was aimed at studying a single entity in-depth in order to gain insight into the larger cases (Oso and Onen 2009).

#### **3.2 Study area.**

The study was carried out at century Bottling Company (Coca Cola). It is located in Namamve, Mukono district along the Kampala Jinja highway, 13 kilometers from the city Centre of Kampala.

### 3.3 Study of the population

The study population was 50 respondents out of the 664 employees at Century Bottling Company covering the departments of logistics and procurement, finance, marketing and sales, production, stores and other departments like security, Corporate Social Responsibility of Century Bottling Company. This group was chosen because they were assumed to have got the knowledge of product packaging.

### 3.4 Sampling size and method

The sample size consisted of 50 employees out of a population of 664 employees at Century Bottling Company, The researcher used stratified sampling method to sample departments so as to enable the relevant departments to have an equal chance to participate in the study in order to reduce the sampling errors. The researcher then requested the Human Resource manager to provide him with the actual presentation of number of employees in the various(stratum) departments as follows; stores(133),marketing and sales (173),administration (106),logistics and procurement(80),production(146) and finance(26).The researcher then used formulae  $n_1 = N_1/N * n$  to calculate the sample size, where  $N_1$ =Number of employees in departments,  $N$ =Total number of population,  $n$ =sample size to arrive at a sample size of 50 employees were selected from stores(10),marketing(13),administration(8),logistics(6),production(11)andfinance(20) has respondents.

### 3.5 Sources of data

The relevant data about the study was obtained from primary and secondary sources of data.

#### Primary source

The researcher acquired primary data and information by visiting the field and obtaining information from the business operators, who were the study respondents, through the use of interviews and questionnaires.

#### Secondary source



The researcher acquired the required data for the study from previously published information like articles, reports, text books, work from previous researchers and relevant on line publications.

### **Procedure for data collection**

The researcher obtained a letter of introduction from the department of human resource and supplies Management, Kampala International University. The researcher then introduced himself to the administration of Century Bottling Company in Namamve, Mukono District to carry out the study.

### **3.6 Research instrument**

#### **Questionnaires**

This refers to a document that contained a set of questions where answers were provided by the respondents in the copies of the questionnaires that the researcher availed during the actual study. About 50 questionnaires were provided for the study. Questionnaires were used to collect information because they required less time and fewer trained staff members to administer. The questionnaires constituted of majorly close ended questions which the respondents ticked or filled in answers of their choices. Close ended questions required the respondent to choose an answer from a printed list of choices. Such questions included a simple yes/no or true/false response or a multiple-choice list, or a series of degrees of agreement or disagreement in relation to a variety of assertions. Close ended questions were used because they were simple to administer, easy for the respondent to complete, and relatively easy to analyze. On the other hand, open ended questions were not used because it gave a lower response rate for reasons that respondents needed to think and write more than they would do with close ended question.

### **3.7 Data quality control**

#### **Validity**

Validity refers to the quality that the procedure or the instruments used to carry out the research will be accurate, correct, true, meaningful and right. Leedy & Ormorod (2001) defined validity as an extent to which a method of data collection represents what it is supposed to do or the

extent to which a method of data collection measures what is supposed to measure and measures it correctly.

Data collections instruments were discussed with colleagues, lecturers and the study supervisor to ensure that a valid research study was reached without compromise.

### **Reliability**

Ahuja (2005, pg 31) defined reliability as how consistent a research procedure is in order to obtain information. In this case therefore, reliability would imply stability or dependability of an instrument or procedure to obtain information in such a way that portrays consistency.

To ensure reliability of the research, the researcher selected key respondents within coca cola industries with whom he thought had an idea of packaging by clearly sighting out staff members from the sales, marketing, logistics, production and procurement department.

### **3.8.1 Data analysis, presentation and interpretation**

The data that was collected by the researcher from interviews and questionnaires were presented in two ways. The first set of data was presented qualitatively (data that could not be measured numerically) and the other set of data was presented quantitatively (for data numeric in nature). The researcher used hypothesis based on the frequency table, percentages and simple statistical methods for presentataion. The study also explained, described and presented the finding basing on the specific objectives of the study and research question where by interpretation was done through generalized summaries of findings from conclusions in the data collection process.

## CHAPTER FOUR

### PRESENTATION, INTERPRETATION AND DISCUSSION OF FINDINGS

#### 4.0 Introduction

This chapter analyses the results of the study that was conducted at Century Bottling Company Namamve- Mukono district. The purpose of the study was to investigate the impact of packaging on product sales of business enterprises. The respondents were employees of century bottling company and their responses were entered into a computer system and analyzed using micro-soft Excel programs. Both qualitative and quantitative approaches were used to determine the percentages, standard error test and frequencies that show the responses of small scale business operators.

#### 4.1 Background information

This section entails information about the Bio data of the respondents.

##### Respondent's bio-data

Table 1: Respondents Gender

Sex	Frequency	Percent	Valid Percent	Cumulative Percent
Male	29	58.0	58.0	58.0
Female	21	42.0	42.0	100.0
Total	50	100.0	100.0	0

Primary source of data 2015.

From the above table, 29 (58.0%) of the respondents were male and 21 (42.0%) of the respondents were female. The result shows that the gap between the male and female who participated in the study was not so great since it was a difference of 8(eight). Therefore there was some degree of fairness and equality.

**Table 2: How long have you worked at the plant**

Duration at the plant	Frequency	Percent	Valid Percent	Cumulative Percent
3 yrs and below	10	20.0	20.0	20.0
4 to 6 yrs	10	20.0	20.0	40.0
7 to 9 yrs	12	24.0	24.0	64.0
10 yrs and above	18	36.0	36.0	100.0
Total	50	100.0	100.0	

Source: Primary data 2015

The above table shows the duration of time the respondents have worked at century bottling company, 10 (20%) worked for 3 years and below, 10 (20%) worked for a period of 4 – 6 years, 12 (24%) worked for 7 -9 years and 18 (36%) worked for 10 years and above. This implies that a high percentage of respondents working at Century Bottling Company worked at the plant for more than 10 years.

**Table 3: Which department at the plant do you identify yourself with**

Departments	Frequency	Percent	Valid Percent	Cumulative Percent
Stores	10	20.0	20.0	20.0
marketing and sales	13	26.0	26.0	46.0
Administration	8	16.0	16.0	62.0
Logistics and procurement	6	12.0	12.0	74.0
Production	11	22.0	22.0	96.0
Finance	2	4.0	4.0	100.0
Total	50	100.0	100.0	

Primary source of data 2015.

According to the table above, the highest number of respondents were from the department of marketing and sale with 13 (26%) followed by the production department with 11 (22%), store

with 11 respondents accounting for 22%, department of administration 8 (16%), logistics and procurement department with 6 (12%) of the total respondents and lastly finance with 2 (4%).

Table 4: which age group do you fall in among the following age groups

Age groups	Frequency	Percent	Valid Percent	Cumulative Percent
18 to 23	1	2.0	2.0	2.0
24 to 28	14	28.0	28.0	30.0
29 to 33	18	36.0	36.0	66.0
34 and above	17	34.0	34.0	100.0
Total	50	100.0	100.0	

Source: Primary data 2015.

The below chart shows that majority of the respondents, 18 (36%) were aged between 29 and 33, 17 (34%) were aged 34 years and above, 14 (28%) were aged between 24 and 28 and only 1 person who represented 2% of the total respondents number was aged between 18 and 23 years, implying that all the age groups were at least sampled to participate in the study.

Table 5: what is your level of education?

	frequency	percent	Valid percent	Cumulative percent
Diploma	5	10.0	10.0	10.0
Degree	26	52.0	52.0	62.0
Masters	17	34.0	34.0	96.0
PhD	2	4.0	4.0	100.0
Total	50	100	100.0	

Primary source of data 2015

From the table above, the highest number of respondents 26 (52%) had degrees, 17 (34%) with masters, 6 (12%) with diplomas and only 2 (4%) with PhDs, thus most of respondents understand the concept of packaging of products because of their level of education.

Table 6. Do you think packaging is of great importance in products sales volumes.

	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	50	100.0	100.0	100.0

Primary source of data 2015.

The above table states that all the respondents believe that packaging possibly leads to an increase in sales volumes of products. Thus all the 50 (100%) of the respondents knew and had an over view that packaging of products probably contribute to increase in the sales volumes of products.

**Table 7: Do you think organisations should invest more in packaging activities**

	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	50	100.0	100.0	100.0

Primary source of data 2015.

With the respondents agreeing that packaging contributes to an increase in sales volumes of products, they therefore also supported the idea that organizations should invest more in packaging activities. All the 50 respondents supported the idea that organizations should invest more in packaging as per shown in the graph below, thus business firms should allocate adequate resources towards packaging of products.

**Table 8: Do you think packaging contributes to an increase in sales volumes**

	Frequency	Percent	Percent	Cumulative Percent
yes	50	100.0	100.0	100.0

Primary source of data 2015

The research conducted generated positive results to prove that packaging contributes to an increase in sales volumes. To back up this point, 50 (100%) of the respondents supported the idea of it.

## 4.2 contribution of packaging to increase in sales volumes

Table 9: Creative problem solving

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	2	4.0	4.0	4.0
Disagree	7	14.0	14.0	18.0
Agree	27	54.0	54.0	72.0
Strongly agree	14	28.0	28.0	100.0
Total	50	100.0	100.0	

Primary source of data 2015

According to Roman G. Hiebing, JR & Scott W. Cooper (1990 pg 140), they suggest that one of the contributions of packaging is that it helps in creative problem solving. Creative packaging ideas can help solve problems which cannot be eliminated by other areas of marketing or advertisements. The research also showed the same in support where 41 (82%) of the respondents agreed that packaging contributes to creative problem solving by providing customers with relevant information about the actual product being sold and 9 (18%) disagree.

Table 10: Helps in shipment and transportation of products

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	1	2.0	2.0	2.0
Disagree	3	6.0	6.0	8.0
Agree	21	42.0	42.0	50.0
Strongly agree	25	50.0	50.0	100.0
Total	50	100.0	100.0	

Primary source of data 2015.

Coyle. Bardi. Langley says shipments moving by ocean or road transportation require more stringent packaging than domestic shipments normally do. An export shipment receives more handling in that the products are loaded at the points of origin of the product, unloaded at the dock, loaded onto the ship, unloaded from the ship at port, loaded to a delivery vehicle and unloaded at its final destination. It is therefore for true as 44 (88%) of the respondents agreed to it with about 6 (12%) disagreeing.



**Table 11: protection and storage of products to provide convenience**

	Frequency	percent	Valid percent	Cumulative percent
Strongly disagree	1	2.0	2.0	2.0
Disagree	3	6.0	6.0	8.0
Agree	21	42.0	42.0	50.0
Strongly agree	25	50.0	50.0	100.0
Total	50	100.0	100.0	

Primary source of data 2015.

Another scholar by the name of Berkowitz, Kerin, Hartley and Rerdelis (1997 pg 337) say packaging as functional benefits. Packaging often plays an important function role such as convenience, protection or storage of the product. Packaging was looked at as being important in contributing to increased product sales with 46 (92%) of the respondents accepting that packaging provides convenience, protection and storage to products and 4 (8%) only disagreeing of the total respondents who participated in the study, implying that most of the respondents agreed that packaging is one of the most reliable ways to adopt a product to the market.

**Table 12: Cheapest and quickest way to adapt a product to markets**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	1	2.0	2.0	2.0
Disagree	4	8.0	8.0	10.0
Agree	29	58.0	58.0	68.0
Strongly agree	16	32.0	32.0	100.0
Total	50	100.0	100.0	

Primary source of data 2015

Another scholar by the name Gerald Albaum (2002) together with Strandkov and Edwin Duerr suggest that packaging is probably the cheapest, quickest and easiest way to adapt a product to make it more suitable for local and foreign markets. From research results generated, 45 (90%). 5 (10%) however declined to the idea.

Table 13: Provision of information about the product in question

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	3	6.0	6.0	6.0
Disagree	4	8.0	8.0	14.0
Agree	26	52.0	52.0	66.0
Strongly agree	17	34.0	34.0	100.0
Total	50	100.0	100.0	

Primary source of data 2015

Dillon, Madden and Fortler (1994 pg 595) say there some very good reasons to focus on the efficacy of a package. The package is a piece of information that every customer sees. In fact, it has been estimated that an average package for instance in a supermarket generates approximately 15 billion exposures per year. It is therefore true that a package provides latent information about the product as 43 (86) respondents agreed, 7 (14%) disagreeing.

#### 4.3 level of attractiveness of packages can increase sales.

Table 14: Should packaging materials be attractive to influence sales

	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	48	96.0	96.0	96.0
No	2	4.0	4.0	100.0
Total	50	100.0	100.0	

Primary source of data 2015.

The study results generated reflected that 48 (96%) of the respondents do agree that packaging materials should be attractive to influence sale and 2 (4%) do not agree that packaging materials need to be attractive to influence sale.

Table 15: Package sizes increases attractiveness of packaging materials and product sales

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	1	2.0	2.0	2.0
Disagree	12	24.0	24.0	26.0
Agree	21	42.0	42.0	68.0
Strongly agree	16	32.0	32.0	
Total	50	100.0	100.0	100.0

Primary source of data 2015

According to J. Paul Peter (2008 pg 399), Package sizes can influence not only which brands consumers choose but also how much of the product they use on particular occasions. The study showed that 16 (32%) strongly agreed, 21 (42%) agree, 12 (24%) disagree and 1 (2%) strongly disagreeing that package sizes influences product attractiveness and sales.

Table 16: Trade name and label designs increases attractiveness in packaging materials and product sales

	frequency	percent	Valid percent	Cumulative percent
Strongly disagree	1	2.0	2.0	2.0
Disagree	4	8.0	8.0	10.0
Agree	20	40.0	40.0	50.0
Strongly agree	25	50.0	50.0	100.0
Total	50	100.0	100.0	

Primary source of data 2015.

Packaging is such an important identification device that some companies use the same package and label design for years. Why because the unique combination of trade name, or trade character, reinforced by the package design, quickly identifies the products brand and differentiates it from competitors. For example the traditional contoured Coke bottle was so unusual and popular that in the 1990s Coca Cola reintroduced it to U.S markets. The company never stopped using it in many international markets with Uganda being inclusive because it differentiated Coke so well other Cola products. To back up this remarks, the highest number of

respondents were in strong agreement with 25 (50%). 20 (40%) also did agree to the idea 5 (10%) disagreed with it.

Table 17: The shape of the package increases attractiveness of packaging materials and sales

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	1	2.0	2.0	2.0
Disagree	7	14.0	14.0	16.0
Agree	22	44.0	44.0	60.0
Strongly agree	20	40.0	40.0	100.0
Total	50	100.0	100.0	

Primary source of data 2015.

William F. T. Arens (2008) also brings forward another attractive pillar that can enhance the sales of the product to be the package the shape. He says a package shape also offers an opportunity for consumers to appeal based on whimsy, humor or romance. About 20 (40 %) of the study respondents strongly agreed, 22 (44%) agree, 7 (14%) in disagreement and 1 (2%) respondent in total disagreement. Meaning that business firms should provide various shapes of products packages in order to increase to increase the attractiveness of materials and sales.

Table 18: Package design increases attractiveness of packaging materials and sales.

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	2	4.0	4.0	4.0
Disagree	2	4.0	4.0	8.0
Agree	24	48.0	48.0	56.0
Strongly agree	22	44.0	44.0	100.0
Total	50	100.0	100.0	

Primary source of data 2015

Packaging plays a major role when products are purchased. It is the first thing that the consumer sees before making the final decision to buy. The importance of package design increases with the arrival and popularization of self-service systems. Here, Cervera Fantoni (2003) says that packaging is on the foreground in attracting attention and causing the purchase. To clarify this statement, results generated had 22 (44%) of the respondents strongly agreeing, 24 (48%) agree and 2 (4%) disagreeing and strongly disagreeing respectively.

#### 4.4 Factors considered when developing packaging materials.

Table 19: Do you think there are factors that need to be considered when developing packaging materials

	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	50	100.0	100.0	100.0

Primary source of data 2015

All the respondents 50 (100%) agreed that there are factors that need to be considered when developing packaging materials. Hence business firms should always consider other factors into their specifications and contractual terms when developing a package so that consumers can easily embrace the product.

Table 20: Do you think the factors that need to be considered in developing a package influence product sales

	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	50	100.0	100.0	100.0

Primary source of data 2015

All respondents 50 (100%) agreed or thought that if all the factors required to be considered when developing a package are considered, product sales will increase.

**Factors considered in packaging materials.**

**Table 21: Environmental factors**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	1	2.0	2.0	2.0
Disagree	2	4.0	4.0	6.0
Agree	20	40.0	40.0	46.0
Strongly agree	27	54.0	54.0	100.0
Total	50	100.0	100.0	

Primary source of data 2015.

Berkowits, Kerin, Hartley and Rerdelis (1997 pg 339) explain the environmental factors as a sensitive issue because it's not just a local but also a world concern that there is growth of solid waste and the shortage of viable landfill sites, the amount, composition and disposal of packaging materials continue to receive much attention. Recycling packaging materials is a major thrust for example spin and span liquid cleaner is packaged in a 100% recyclable material and other firms such as the UK retailer Sainsbury emphasize the use of less packaging material. The study results also attracted 27 (54%) in strong agreement, 20 (40%) also agreeing and 2 (4%) while 1 (2%) in strong disagreement.

**Table 22: Health and safety concerns**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	2	4.0	4.0	4.0
Disagree	1	2.0	2.0	6.0
Agree	17	34.0	34.0	40.0
Strongly agree	30	60.0	60.0	100.0
Total	50	100.0	100.0	

Primary source of data 2015

Berkowits, Kerin, Hartley and Rerdelis (1997 pg 339) also look at another factor as that of health and safety concerns. Today, majority of consumers believe and emphasize that companies should



make sure that products and their packages are safe for consumers regardless of the cost and companies are responding to this call in numerous ways. This factor needed when developing a package had 30(60%) strongly agreeing to it, 17 (34%) also do agree to the factor as being one of the considerations when developing a package. 1 (2%) disagreed and 2 (4%) strongly disagreed.

Table 23: Consumers appeal on the package

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	1	2.0	2.0	2.0
Disagree	6	12.0	12.0	14.0
Agree	24	48.0	48.0	62.0
Strongly agree	19	38.0	38.0	100.0
Total	50	100.0	100.0	

Primary source of data 2015

William. T. Arens, Micheal K. Weigold and Christian Arens (2008) say consumer appeal in the packaging is a factor to consider when developing a package and results from factors like size, color material used and shape among others. This factor according to the study results generated a similar attention from respondents when 86% of the respondents turned out in agreement and about 14% only in disagreement.

Table 24: globalization

	Frequency	Percent	Valid Percent	Cumulative Percent
Disagree	5	10.0	10.0	10.0
Strongly disagree	1	2.0	2.0	2.0
Agree	24	48.0	48.0	60.0
Strongly agree	20	40.0	40.0	100.0
Total	50	100.0	100.0	

Primary source of data 2015

Due to growth of international trade, many products and services are now offered worldwide. Cateora & Graham & Ghauri (2000) say that other goods need to be adapted to local requirements and preferences (Rundh 2009, p. 990). The role of packaging design in the case of internationalization and globalization is to make the product seem different and innovative. This was proved by the study findings where 20(40%) of the respondents strongly agreed, 24 (48%) agree to internationalization and globalization factors as requirements that should be considered when developing a package. 6 (12%) of the respondents however disagreed.

Table 25: logistics factors (transportation considerations)

	frequency	percent	Valid percent	Cumulative percent
Strongly disagree	1	2.0	2.0	2.0
Disagree	2	4.0	4.0	6.0
Agree	25	50.0	50.0	56.0
Strongly agree	22	44.0	44.0	100.0
Total	50	100.0	100.0	

Primary source of data 2015

Packaging and packaging design is a key factor that drives the development of modern distribution systems of products (Rundh 2009, p. 991). Even in breweries and beverage industries, package materials should be able to match the logistics and distribution requirements so as the products are safely delivered to where they are needed. The study that was conducted clearly shows that 22(44%) and 25(50%) of the respondents strongly agreed or agreed respectively to logistics factors being requirement when developing a package opposed to on 3 (6%) of the respondents who disagreed to it.

Table 26: Table 26: New technological progress

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	3	6.0	6.0	6.0
Disagree	3	6.0	6.0	12.0
Agree	27	54.0	54.0	66.0
Strongly agree	17	34.0	34.0	100.0
Total	50	100.0	100.0	

Primary source of data 2015.

According to Sorensen and Widman (2006), they say technological factor assists in the development of new packaging products. According to the study results, 17 (34%) of the respondents strongly agree that technological factors need to be considered when developing a package. 27(54%) of the overall respondents also did agree that new technology and technical progress needs to be considered in developing packaging materials. Only 3(6%) of the respondents disagreed and strongly disagreed respectively to the statement that technological factors need to be considered in development.

## CHAPTER FIVE

### SUMMARY, CONCLUSION AND RECOMMENDATIONS

#### 5.0 Introduction

This chapter summarizes and concludes the findings of the study and gives the necessary recommendations and areas of further research study.

#### 5.1 Summary of findings

The findings of the study indicated that there was a fair balance between the respondents since there were 29 male respondents and 21 female respondents. It also indicated that the researcher mainly concentrated on employees of Century Bottling Company as his respondents. Majority of the respondents were from the departments of logistics and procurement with 12% of the total respondents, stores 22%, finance 4%, marketing and sales 26, production 22%, administration 16%. The majority of the respondents working at Century Bottling Company have worked for 10 years and above (36%) followed by those who have worked there for 7 to 9 year (24%). Most of the employees there are aged from 29 to 33years and 34years and above with a percentage of 36 and 34 respectively totaling to 70%.

The respondents also did agree that there are several factors that need to be considered when developing a packaging material like environment factors 94%, health 94%, value addition 90%, products being able to feel through senses (customers being able to feel good by looking at the package) 86%, consumers appeal to the package 86%, internationalization and globalisation 88% and lastly logistics factors 94%.

Packaging contributes to product sales increase in a number of ways like creative problem solving where 82% of the respondents were in agreement, protection and storage of products 92%, shipment and transportation 88%, cheapest and quickest ways to adapt products to markets 90% and provision of information about the product housed by a particular package 86%.

The study results also points out that attractiveness of packaging materials of increase the sales of the product and some of the things that increase the attractiveness of a product package are the

package sizes with 74% of the respondents agreeing to it, package colours 88%, trade name and label design 90%, shape of the package 88%, package 86% and package design 92%.

## **5.2 Conclusion**

According to the results of the study, it was noted that all the respondents were aware of product packaging and think it's of great importance in the increase of sales of products and they to argued organisations to invest more in packaging activities. Packaging plays a great role in protecting, informing and attracting customers to purchase products. In total, about 46(92%) of the respondents said attractiveness of packaging materials increases sales, and that there are factors that should be considered when developing packaging materials like environmental factors, health, value addition, good looking, consumers appeal to the package, internationalization and globalisation, logistics factors among others and if not considered may reduce on the sales of products as 45(90%) of the respondents agree to the statement.

## **5.3 Recommendations**

From the findings of the study, the researcher made the following recommendations;

The researcher acknowledges the fact that there are so many factors that manufacturers need to consider when developing packaging materials for they increase of the sales of the products they manufacture.

The researcher recommends that business firms should invest more in creative problem solving because creative package ideas can help solve problem and challenges which can't be eliminated by other areas of marketing and not to under look at it as something that may increase on their operation and production cost.

## **5.4 Area of further research**

The impact of packaging on the pricing of products

The contribution of packaging in deciding the mode of transportation to use

## REFERENCES

Service Marketing (2006) 4<sup>th</sup> Ed by Valarie A. Zeithaml, Mary Jo Bitner and Dwayne D. Gremler.

International Marketing and Export Management (2002) 4<sup>th</sup> Ed by Gerald Albaum, Jesper Strandkou and Edwin Duerr.

Marketing (1997) 5<sup>th</sup> Edition by Berkowitz Kerin and Hartley Rerdelius.

<<http://www.jainsonspackers.com/blog/2012/05/02/factors-affecting-packaging-type-part-2/>>

Consumer Behaviour and Marketing Strategy (2008) 8<sup>th</sup> edition by J. Paul Peter and Jerry C. Olson.

Marketing (2008) by Dhruv Grewal and Michael Levy.

<<http://www.mbaskool.com/business.concepts/marketing-and-strategy-terms/3233-product-sales.html>>

The Management of Business Logistics a Supply Chain Perspective (2003) 7<sup>th</sup> edition by Coyle, Bardi, Langley.

The successful Marketing Plan (1990) by Roman G. Hiebing, JR. Scott W. Cooper

Logistics Management (1992) by P. Farcett, R Mcleish and I Ogden.

[www.incpn.org/pages/data/packaging FS.pdf](http://www.incpn.org/pages/data/packaging_FS.pdf) 2<sup>nd</sup> September (2009).

<http://www.cocacolasabco.com/territory.aspx/show/uganda>.

Global Marketing (2005) 4<sup>th</sup> edition by Waren J. Keegan and Mark C. Green.

<<http://www.coca-cola.co.uk/125/coca-cola-bottles-history.html>>

Managing Consumer Product Evaluation Through Direct Product Experience (2002) by Sylvia C.Mooy and Henry S.J. Robben.

<http://edis.ifas.ufl-edu>.

The Handbook of Logistics and Distribution Management (2010) 4<sup>th</sup> edition by Allan Rushton, Paul Croucher and Peter Baker.

[http://www.jainsonspackers.com/blog/2012/05/02/factors-affecting-packaging-type-part-](http://www.jainsonspackers.com/blog/2012/05/02/factors-affecting-packaging-type-part-2/)

[2/](http://www.jainsonspackers.com/blog/2012/05/02/factors-affecting-packaging-type-part-2/)Marketing Research in a Marketing Environment (1994) 3<sup>rd</sup> edition by Dillon, Madden and Forther.



## QUESTIONNAIRE

Good Morning/Afternoon/Evening. My Name is OWILLI IVAN a Student at Kampala International University Kansanga main campus pursuing a Bachelor's Degree of Supplies in Procurement and Management. I am conducting a research on the impacts of packaging on product sales on business firms and my case study is on century bottling company (coca cola) Namanve. This information will help the service providers to improve on the services they offer and also ascertain the contributions of packaging on product sales of century bottling company .You have been randomly selected to participate in the study among a pool of about 264 employees of century bottling company, I have a questionnaire that will take about 15 minutes to complete and I hope that you agree to share with me. There is no right or wrong answers and our discussion will be treated confidentially. May I have your permission to interview you?

### Bio data.

1. Name of the respondent.....

2. What is your marital status.....

3. Is the respondent a male or female? Don't ask record as you observe.

Yes  No

4. How long have you worked with Century Bottling Company?

1-3years  4-6years  7-9years  10years and above

5. Which department in century bottling company do you identify yourself with?

Administration  Procurement and logistics  marketing and sales

Production  Finance  Stores

6. What is your level of education?

Read out the Level of education

Diploma	
Degree	
Masters	
PhD	
Others(specify)	

**Section A: ascertaining the impact of packaging on product sales**

1. Do you think packaging is of great importance to increase sales?

Yes  No

2. Should business firms invest more on packaging activities?

Yes  No

3. The following suggestions are reasons as to why packaging increases product sales. Please tick or circle on the right, 1(strongly agree), 2(agree), 3(disagree), 4(strongly disagree)

	SA	A	D	SD
Creative problem solving	1	2	3	4
Helps in shipment and transportation of products	1	2	3	4
Protection and storage of products	1	2	3	4
Provision of information about the product	1	2	3	4
Quickest and cheapest way to adopt a product	1	2	3	4

**Section B: Level of attractiveness of packaging.**

1. Should packaging be attractive?

Yes  No

2. What are your main preferred ways of increasing attractiveness of a product package?