

## **Quadrant II- Notes**

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### **PACKAGING AND LABELLING**

The packaging is considered as the fifth P of marketing along with price, product, place, and promotion. It is the science, art, and technology of enclosing or protecting products for distribution, storage, sale, and use.

According to Philip Kotler, “Packaging is the activity of designing and producing the container for a product”.

Packaging in international marketing is much more complicated than in domestic marketing due to varying physical conditions and situations the cargo is exposed to.

Labeling is regarded as part of packaging because the packaging decision involves the consideration of the labeling requirement. It is the written information on the package. These written labels on the package cover important information that needs to be communicated to a customer.

Labeling is essential as it helps to grab the attention of a customer. It can be combined with packaging and can be used by the company to encourage potential buyers to purchase the product.

## **Functions**

### **1. Product Containment**

- ❖ To provide proper and safe container or place for keeping any product is an important function of packaging.
- ❖ In order to keep the produced goods in safe, bottles, containers, bags, plastics, tin boxes or wooden boxes are used according to the nature of the products

### **2. Product Protection**

- ❖ Packaging helps to protect products from the possibility of loss, damage, a decline in quantity and quality, colour, size, etc. that may be caused by sun, rain, dust, insect, air and so on.
- ❖ The products are packed in proper materials to carry them from one place to another in the right condition. In some cases, the package increases the life span of the products.
- ❖ Glass made goods, food products and many other goods can be kept safe from crack and break, damage, decaying, adulteration etc. by packaging.

### **3. Product Identification**

- ❖ Packaging gives short introduction of different kinds of products and their producers.
- ❖ Every producer or middlemen select color, size, design of container or box, and package their products in a way that they look different from competitors' products. This makes customers easy to identify the same-nature products of different firms.
- ❖ The customers can recognize and may buy the products of their favorite company or brand as soon as see the package. Mostly, information such as name of the product, name of the manufacturing company, ingredients used in product, weight, quality of the product, its using method are printed or written on the package.

### **4. Product Promotion**

- ❖ If the product has been packaged in attractive material nicely, it plays an important role in sales promotion.
- ❖ Attractive packaging draws the attention of customers, stimulates their interest in the product and motivates them to buy.

### **5. Prestige**

- ❖ The other function of packaging is to create the brand prestige of the product.
- ❖ A quality product properly packaged in good material becomes prestigious.
- ❖ Even though the product is good in quality, but if its packaging is not attractive, customers' attitude becomes negative towards the product itself.

### **6. Communication:**

- ❖ Packaging provides complete information regarding the product. It mainly includes ingredients of the product, its usage, and caution in use cares to be taken while using it, date of manufacturing, batch number, etc.

### **7. Providing information required by Law:**

- ❖ Another important function performed by labeling is to provide statutory warning required by law.

❖ Similarly, in case of hazardous or poisonous products, an appropriate statutory warning needs to be put on the label.

❖ **Example:** To put 'smoking is injurious to health' on the package of cigarette and 'Chewing Tobacco is Injurious to Health' on the package of Pan Masala.