Branding, packaging and labelling decisions.

Branding.

Introduction.

Since several centuries, brands are around us. Origin of the word brand is from brandr which means to burn. According to the American marketing Association, brand is name, sign, design or a combination of them intended to identify the foods and services from one seller or group of sellers and to differentiate them from those of competitors.

But can anybody think in today's environment that brand is only for differentiation of the products? The answer obviously would be "no". But brand gives you some idea of some design and some picture some meaning of something called perception.

Here, name, term, sign, symbol, design or distinguishing feature – all are known as brand elements.

Products and brands.

Product is something like row material while, brand gives it a final touch. According to Kotler, a product is anything we can be offered to a market for satisfaction. A product is something that might satisfy a need or want. Product is classified as goods, services and ideas. A product has different levels of understanding for consumers.

- The overall benefit level.- This is the basic need or want that consumers wish to satisfy. For example, in a hotel, consumers need space to stay.
- The generic product level.- This means the basic product that sellers offer. For example, in a hotel, sellers offer a room to stay.
- The expected product level.- Consumers normally expect some level of a product in addition to the generic product level. These expectations are normal. For example, in a hotel, consumers expect cleanliness, a bed and some space.
• The augmented product level. These level takes the expected product to a new height. This is something which is augmented by the seller. For example, in a hotel, a television a soap or a towel is augmented with the expected products.

• The potential product level. This is the obligation for the seller and thinking for future. For example, in a hotel, a computer with high-speed Internet is the potential product level for majority of them.

Importance of branding.

Importance of branding can be from different angles i.e. from consumers’ point of view and from producers point of view.

For consumers brands provide important functions brand means the identification of producer, the thoughts of past experiences with the producer, the identification of product designer from various products lying down in the same array or needs or wants matching with the products or not. Branding also provides a symbol of quality and promises by the producer. In this way branding is reducer of risk and uncertainty.

For producers, brands provide an identity. It gives the loyalty of consumers and competitive edge.

Criteria for choosing brand elements.

Several criteria are there to choose brand elements as given below.

1. Memorable.
   a. Easily recognized.
   b. Easily recalled.

   a. Descriptive.
   b. Persuasive.
3. Likable.
   a. Fun and interesting.
   b. Aesthetically appealing.
   c. Rich visual and verbal imagery.

4. Transferable.
   a. Within and across product categories.
   b. Across geography.

5. Adaptable.
   a. Updatable.
   b. Flexible.

6. Protectable.
   a. Competitively.
   b. Legally.

Packaging.

The package is a vital part of the total product. Packaging is a part of product decision and consists with activities concerned with design and production of the container and wrapping of the product. Packaging is so effective that the returns on the investment on them are very high in the form of increase in sales turnover and better price realization. Successful localization of packaging involves cultural research as some graphics, such as pictures, icons, and other non verbal elements, may look different in different cultures. What looks familiar to one person may be unrecognizable to someone else. Product packaging can come in many forms, from bags and boxes to tins and bottles. The most suitable packaging for your product will depend on what you are selling and how it is transported and stored. Ideally your packaging should reinforce the brand image of your company or product. This can be done through the use of color, shape, logos, illustrations or slogans.

Packaging is defined as “all products made of any materials of any nature to be used for the containment, protection, handling, delivery and preservation of goods from the producer to the user or consumer.”
If you produce food or drink products, another important consideration is food safety. It is possible for harmful chemicals to migrate from labels and packaging into your food products so you must choose your packaging carefully. Once you have decided which type of packaging is most suitable for your product you can concentrate on its design. Your design should communicate the main benefits of your product and encourage people to buy your product rather than that of your competitors.

Innovative packaging decisions themselves help create new customer classes. For example Amul’s 10 gm or 25 gm cheese packs are widely used by Indian Airlines and other institutional clients.

If your business is involved in trading goods you must be both clear and honest on all packaging and labeling. If you’re misleading in any way you could find yourself committing a criminal offence under the Consumer Protection from Unfair Trading Regulations 2008.

**Functions:**

- It should provide a barrier against dirt and other contaminants thus keeping the product clean.
- It should prevent losses. For example, packages should be securely closed to prevent leakage.
- It should protect product against physical and chemical damage. For example air, light, insects.
- The package design should provide protection and convenience.
- It should help the customers to identify the product and instruct them how to use it correctly.
- It should persuade the consumer to purchase the product.

**Levels of packaging:**

- **Primary packaging** is seen at the point of sale. It needs to contain and protect the product, as well as display it and provide information.
- **Secondary packaging** is the middle layer of packaging - example a cardboard box with a number of identical products inside.
- **Transit packaging** is the outer container that allows easier handling during transfer between factory, distribution centers and retailers.

**Environmentally friendly packaging:**
Environmentally friendly packaging causes less damage to the environment. There are three types:

- **Reusable packaging** can be cleaned and re-used. For example, glass milk bottles are reused.
- **Recyclable packaging** is made of materials that can be used again, usually after processing. Recyclable materials include glass, metal, card and paper.
- **Biodegradable packaging** will easily break down in the soil or the atmosphere.

Recyclable packaging should carry standard symbols that show what the product is made from and how it can be recycled.

**Packaging materials:**

**Plastics:**

Plastics are widely used in packaging because they are:

- Versatile - plastics can be flexible or rigid, and can be molded into shapes.
- resistant to acids and other chemicals
- easy to print on
- lightweight and cheap to produce

**Modified-Atmosphere Packaging (MAP):**

Air in a plastic container can be modified to prolong shelf life and slow down colour deterioration.

MAP is used to package:

- cold meats
- smoked fish
- cheeses
- salads
- fresh pasta
Other packaging materials:

Paper, card, metal and glass can also be used for packaging.

Constraints on adequate packaging:

Inadequate packaging may be the result of:

- A lack of knowledge of the materials and/or the requirements for packaging different products. Each product has its own characteristics and packaging requirements vary.
- In many countries the choice of packaging materials may be limited. For those that are available, supplies are often situated in urban areas and this may cause problems for the rural producer in terms of transportation and often in negotiating with suppliers.
- Packaging can represent a large part of the total cost of a product. This may be in part the result of the higher unit cost when small quantities are ordered for small-scale production.

Labelling.

Labeling is regarded as part of marketing because packaging decision making involves the consideration of the labeling requirements. In international trade, many countries insist that labeling should be done in the absence of such a statutory requirement. Statutory obligations are important aspects of labeling. Many countries have laid down labeling requirements in respect of a number for commodities. According to the regulations labeling of food items should disclose information about a number of aspects like date of manufacturing, expiry date or optimum storage period for good which do not have an indefinite storage period, composition, storage conditions, necessary method of use, if necessary etc.

The label may be a simple tag attached to the product or an elaborately designed graphic that is part of the package. It might carry only the brand name, or a great deal of information. Even if the seller prefers a simple label, the law may require more. Labels perform several functions. First, the label identifies the product or brand-for instance, the name Sunkist stamped on oranges. The label might also grade the product; canned peaches are grade-labeled A, B, and C. The label might describe 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 attractive graphics. New technology allows for
360-degree shrink-wrapped labels to surround containers with bright graphics and accommodate more on-pack product information, replacing paper labels glued onto cans and bottles.