



**PRODUCT PACKAGING INNOVATION AND  
CUSTOMER LOYALTY: A STUDY OF STAR  
LARGER BEER BY NIGERIAN BREWERIES PLC, IN AWKA,  
ANAMBRA STATE, SOUTH-EAST, NIGERIA.**

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**ABSTRACT**

*This paper examined product packaging innovation and customer loyalty in Nigeria brewery industry: a study of customers of star larger beer by Nigerian Breweries Plc in Awka, South-East, Nigeria. The objective of this paper is to **examine** the relationship between product packaging and customer loyalty. The underpinning theory for this paper is the Expectancy-Disconfirmation Theory. The study adopted survey research design and customers of NB Plc in South-East Nigeria represent the population. A total of 280 customers were used for the analysis. Questionnaire designed with 5-point Likert Scale were administered to the consumers. The work adopted descriptive statistics and was used to present data generated from respondents. The hypothesis was tested using regression and Pearson's Product Moment Correlation Coefficient through the use of SPSS. The finding of the study revealed that there is no significant relationship between product packaging and customer loyalty. The study recommended that NB Plc should always emphasis on how to improve on the whole product characteristics instead of paying much attention to product packaging alone since it has been established that product packaging alone cannot guarantee customer loyalty among consumers of larger beer product in Nigerian breweries.*

**Key words:** *Customer repurchase intention, Nigerian Breweries Plc, Product packaging innovation, Customer loyalty, Star beer. Awka*

## INTRODUCTION

The essence of any business is to satisfy the customers and when the customers are satisfied there will be repeat purchase and when there is repeat purchase the company will in turn make profits and retain their market share position. Customers may become loyal to the company and their products. According to Anagbado (2019), packaging is a symbolic concept which attracts consumer's attention to a particular brand, enhances its image, and influences consumer's perceptions about product. In addition, Packaging is the container for a product - encompassing the physical appearance of the container and including the design, colour, shape, labelling, and materials used" (Alice, 2006). Morgan (2007) also contributed that Packaging could be treated as one of the most valuable tools in today's marketing communications; Packaging has an important impact on consumers buying behaviour. The impact of packaging and its elements can impact the consumer's purchase decision.

Packaging is an important integrative aspect of the product and often a critical factor in the success or failure of a given product. Packaging in its marketing roles can gain people awareness and recognition which give the class differentiation of the product and the competitors, create, and

reinforce favourable attitude toward the product, encourage the willingness of people to purchase and occasionally increase the amount of purchase (Ampuero & Vila, 2006). Packaging can give a company an advantage over competitors. Packaging must be consistent with the product's advertising, pricing, and distribution. Companies usually consider different package designs for a new product. To select the best package, companies usually test various designs to find the one that stands up best under normal use, easiest for dealers to handle and receives the most favourable consumer's response.

Innovation has widely been accepted as a vital strategic factor which enables brands to establish and maintain their competitive advantages (Moon, Miller, Kim, 2010 cited in Jalal & Haim, 2015). Being the first mover while accessing new market with new and innovative products would provide the brand with better opportunities to build positive customer base, and it also can save it from intense competition (Beverland, Napoli, and Farrelly, 2010 cited in Jalal & Haim, 2015). Obviously, a brand which frequently introduces highly innovative products can protect itself from price competition. Additionally, innovative products can largely improve future purchases and enhance brand performance (Rosenbusch, Brinckmann, and

Bausch, 2011 cited in Jalal and Haim, 2015). In highly competitive environments, it is clearly evident that customers' needs and requirements are continuously changing while thinking to purchase a certain product category; the decisions are established according to their perceptions of product innovations in terms of product quality, product design and attributes (Moon et al, 2010 cited in Jalal & Haim, 2015).

A product is considered to be innovative when it includes new ingredients (Anselmsson and Johansson, 2009 cited in Jalal & Haim, 2015). From the perspective of customers, a product can be viewed as innovative when it provides them with differential values and uniqueness which is hard for competitors to copy or imitate. Thus, a new product can be assessed in terms of uniqueness and inherent features, functionality, and usefulness (Lee & O'Connor, 2003 cited in Jalal & Haim, 2015). The added value of product innovation to customers is determined through comparing it with those products that exist in the market regardless of whether they are manufactured by the same producer or another competitor (Anselmsson & Johansson, 2009 cited in Jalal & Haim, 2015). Oliver (1997) defined loyalty as “an intensely held promise to repurchase a preferred product/service every time in the future, in so doing cause repetitive same brand or same brand set buying, despite situational effect and marketing efforts having the potential

to cause to switch behaviour”.

Nigerian Breweries Plc, one of the key players in the beverage industry in Nigeria has in the past engaged on product innovation to better reposition their company and to retain their market share position and equally maintain their consumer base by giving them products that will give maximum satisfaction. Nigerian Breweries Plc over the years has developed new or innovated some of their existing products. Products like ACE Desire a Zobo flavoured alcoholic drink and Stella lager beer, Star Radler, Stella lager beer, were developed and introduced into the Nigeria beverage market while some existing ones like Life lager beer, 33 lager beer, Gulder Ultimate lager beer and Star larger beer which is currently being studied have undergone some innovations. All these efforts made in developing or innovating new product (s) is to ensure that customer satisfaction is guaranteed.

The essence of any business is to satisfy the consumers and when the consumers are satisfied there will be repeat purchase and when there is repeat purchase the company will in turn make profits and retain their market share position and consumers may become loyal to the company and their products. Often times, company is engaged in product innovation or new product development to satisfy this need. But however, in most

occasions some companies have failed to understand exactly what the consumers want or need in terms of product packaging and product quality. Packaging elements are important factors that stimulate consumer's impulse to buy a given product. The relevance of packaging elements is observed in its role as a sales promotion tool for organizations and consumer's buying behaviour is also stimulated by the packaging attributes, colour, wrapper, and other characteristics of packaging. Thus, the response of consumers to any given products is dependent on the prospects of its packaging characteristics.

One of the problems that motivated this study is the issue of consumer's response to products with poor packaging elements. Poor packaging elements used on fast-moving products is distasteful and does not catch consumer's attention towards the product brand or its image. Packaging elements stimulates consumer's perceptions about the product. Consumer's buying behaviour is influenced by packaging elements which conveys distinctive value to products, serves as an instrument for differentiation, and helps consumers to decide the product from wide range of parallel products. Previous studies show that there is no agreement on overall classification of packaging material and package elements. There is also disagreement regarding the methods of package impact on consumer's buying behaviour decision. Several

researchers attempt to examine all potential elements of packaging and their effect on consumer's buying decision. However, others focus on distinct elements of packaging and their influence on consumer purchasing behaviour. Poor packaging elements on fast-moving products have influence on consumer's choice, when multiple and different choices are available. This is the problem that influence the choice to patronize some fast-moving consumer products than others.

Brian (2012) opined that modern consumers are so sophisticated in demanding; they know exactly what they want. They do not want only a product but also something that will give them maximum satisfaction or solve their problem. This satisfaction could be achieved by given them good (appearance, aroma, flavour and taste/mouthfeel and alcohol content) qualities, good packaging and brand name which could lead to repurchase if well priced to loyalty. In recent time, Nigerian Breweries Plc in her quest to maintain her market share position in the brewery industry introduced some new products but those products failed to stand the test of time probably because it is believed that consumers did not get the desired satisfaction they wanted from the products.

### **Research Objective**

Based on the research problem above, the objective of this research

is to examine the relationship between product packaging innovation and customer loyalty among consumers of star larger beer by Nigerian Breweries Plc in Anambra State, Nigeria.

## LITERATURE REVIEW

### Concept of product packaging innovation

Kotler (2018) described packaging as all the activities of designing and producing the container for a product. Packaging can be defined as the wrapping material around a consumer item that serves to contain, identify, describe, protect, display, promote and otherwise make the product marketable (Okpara, 2007). According to Panwar (2012), Packaging is the act of containing, protecting, and presenting the contents through the long chain of production, handling, and transportation to their destinations in a good state, as they were, at the time of production so that it will attract consumer attention. The view of Jahre (2004), see packaging which involves technology and art of preparing a commodity for convenient transport, storage, and sale. Packaging provides many pertinent marketing and managerial functions such as protection, promotion, and user convenience.

According to Rundy (2014), packaging is a symbolic concept which attracts consumer's attention to

a particular brand, enhances its image, and influences consumer's perceptions about product. In addition, Packaging is the container for a product-encompassing the physical appearance of the container and including the design, colour, shape, labelling, and materials used" (Alice, 2006). Morgan (2007) also contributed that packaging could be treated as one of the most valuable tools in today's marketing communications; packaging has an important impact on consumers buying behaviour. The impact of packaging and its elements can impact the consumer's purchase decision.

According to Armstrong (2009), consumer preference is defined as "the power or ability to choose one thing over another with the anticipation that the choice will result in greater satisfaction, greater capability or improved performance". Packaging is an important integrative aspect of the product and often a critical factor in the success or failure of a given product.

Bix, Rifon, Lockhart and Javier (2002) opined that packages protect products from breakage, evaporation, spillage, spoilage, light, heat, cold, and many other conditions. Packaging often plays an important functional role, such as protection, or storage of product. Consumer protection is becoming a growing role of packaging. Packaging that fails to

fully protect the product has the potential to result in excess damage and waste, diminished shelf life, and loss of flavour or efficacy. Problems associated with insufficient protection are likely to lead to consumer dissatisfaction and consequent product failure. Packaging in its marketing roles can gain people awareness and recognition which give the class differentiation of the product and the competitors, create, and reinforce favourable attitude toward the product, encourage the willing of people to purchase and occasionally increase the amount of purchase (Ampuero & Vila, 2006).

Packaging as the container for a product-encompasses the physical appearance of the container and including the design, colour, shape, labelling, and materials used". Packaging can be defined quite simply as an extrinsic element of the product (Olson 2008). Packages are found to attract attention (Underwood, 2009). Pictures on packages are emphasized to attract attention; particularly when consumers are not very familiar with the brands (Underwood, 2001). Packaging is the technology and art of preparing a commodity for convenient transport, storage, and sale. Packaging provides many pertinent marketing and managerial functions such as protection, promotion, and user convenience. Packaging may be viewed as an

integral part of the product and is the first point of contact with the brand especially consumer product (Rundh, 2005). Packaging may likely influence and smoothly lead consumers to form associations on the first sight of a package which may trigger favourable or unfavourable purchase intention about a brand of alcoholic beverage at the point of sale and/or consumption. Packaging is not useless; consumers sometimes think that packaging is an incidental part of the product. In reality, packaging fulfils essential functions as to conserve, protect, transport products, provide information and facilitate handling until the products reaches its final consumer.

**Product packaging innovation as a tool for satisfaction:** Packaging is regarded as an essential component of our modern lifestyle and the way business is organized. Packaging is the enclosing of a physical object, typically a product that will be offered for sale. It is the process of preparing items of equipment for transportation and storage and which embraces preservation, identification, and packaging of products. According to Panwar (2014) Packaging is the act of containing, protecting, and presenting the contents through the long chain of production, handling, and transportation to their destinations in as good a state, as they were, at the time of production. Packaging is an important part of the branding process as it plays a role in communicating the

image and identity of a company. Due to increasing self-service and changing consumers' lifestyle the interest in package as a tool of sales promotion and stimulator of impulsive buying behaviour is growing increasingly. So, packaging has an important role in marketing communications, especially from the point of sales and could be treated as one of the most important factors influencing Consumer's purchase decision.

**Packaging and perceived quality:**

Since consumers should have a clear image of products' characteristics including quality, speed, low/high price and variety in their mind, the purpose of marketing is to create an image of a product to make it attractive. The image is indeed a general combination of all things which consumers think they know about a company and its products. Perceived quality can be defined as consumers' perception of overall quality or a service/product superiority according to their expected purpose in comparison with other options. Eventually, perceived quality is a general intangible sense of brand. By the way, perceived quality is usually based on key dimensions including products' characteristics such as reliability and performance, which somehow links to brand. To understand perceived quality, it would be helpful to identify and measure its main dimensions, but it should not be forgotten that perceived quality is,

indeed, a general impression (Aker, 1991).

**Packaging and customer satisfaction:**

Vanacore and Etro (2002) proposed consumer satisfaction as the general assessment, which is done by consumers about specific product or service at a certain time. A particular instance of theories that has a significant influence on consumer satisfaction is the expectancy disconfirmation theory that is discussed enormously in consumer satisfaction literature. This theory illustrates the pros and cons about changeability based on the perception of purchasing a product or service before bargaining. Presence of service also could be justified based on satisfaction and dissatisfaction. Zeithaml and Bitner (2003) discussed that dissatisfaction appears when the customers experience significant difference between their expectations and the quality of services that they receive. Vanacore and Erto (2002) believe that the main precursor of consumer satisfaction includes expectations, perceived quality, and disconfirmation American Consumer Satisfaction Index (ACSI) is a sample of appropriate customer satisfaction model. This specific model consists of factors of variables of customer loyalty, perceived value, perceived service quality, consumer expectations and customer complaints. Good packaging of products has the capacity to enhance

customer satisfaction.

**Product repackaging and consumer preference:** Consumer market grows rapidly every year and the number of competitors among different types of products and goods increases steadily. To stand out against competitors, every company tries to invent something new and to get the competitive advantage for providing the product to the end consumers. One of the marketing tools that have become popular and important is product repackaging and packaging design which allows companies to be different from each other's and to have more priorities among competitors. This has become a reason why nowadays there is a big variety of design packages in the market.

Repackaging and packaging design have become significant factors in the marketing of diverse "consumer goods" and have a main role in communicating product benefits to the consumer. Czinkota and Ronkainen (2007) as cited in Nto (2014) argued that product repackaging is connected to other variables in the marketing mix. Cateora and Ghauri (2000) as cited in Nto, (2014) see these variables are within the control of the company and they help to adapt to the changes in the business environment (Rundh 2009). According to Packaging Federation (2004), repackaging of products may occur as reasons of; new technology, materials development,

logistics requirements, environmental issues, consumer preferences; all are the key factors for making decisions on how to improve the looks of products (Rundh 2009).

Consumer preferences and consumer buying behaviour are the major issues that should be considered when designing a new package. Despite factors such as new technology or material development, consumer's choices and desires are the important elements that drive the marketing process. Consumers are the key actors in planning and implementing packages. However, the key issue for packaging design is to understand the consumer (Stewart 2004 cited in Nto, 2014).

Consumer identifies needs and desires, afterwards makes a purchase. The process of identification includes the process of consumption where consumer sets the product within three stages: pre-purchase, purchase, and post-purchase activity. Therefore, the perception and the evaluation of the product, in this case product package, assist customer to make a purchasing decision.

Though many studies have been done in the area of packaging but none have been carried out on repackaging of these packaged products which may seem to be upgraded to meet customer's perception. Nevertheless, Holmes and Paswan (2012) as cited in Nto, (2014) in the article "Consumer

reaction to new package design deem that a little is known about the impact of the consumer's experience with the package on the evaluation of the product itself. Concerning the previous studies, not a lot of studies are about the package design perception and direct customer experience with the package. However, it has an essential role in product performance because the package tells the consumer as well the information about the product as the quality of this article.

In marketing literature, packaging is a part of the product and the brand. A product's package represents its characteristics and communicates the product information. For consumers, the product and the package are one and the same when they see it on the supermarket shelves. During the purchasing decision, the package assists the consumer by creating the overall product perception which helps the evaluation and the making of the right choice. Furthermore, the package is the product until the actual product is consumed and the package is recycled.

### **Customer loyalty**

If there is one good starting point for insights into customer satisfaction, it is customer loyalty. The behaviour of returning customers and new customers providing you with good reviews is your first insight into their loyalty. Oliver (1997) has defined

loyalty as “an intensely held promise to repurchase a preferred product/service every time in the future, in so doing cause repetitive same brand or same brand set buying, despite situational effect and marketing efforts having the potential to cause to switch behaviour”. Customer loyalty is viewed as the strength of the relationship between an individual's relative attitude and re-patronage,(Kabu& Soniya 2017). Mei-Lien and Green (2010) as cited in Oghojafor, Ladipo, Ighomereho and Odunewu, 2014) defined customer loyalty as a deep-held commitment to re-buy or re-patronize a preferred product in the future despite situational influence and marketing efforts having the potential to cause switching behaviour and recommending the product to friends and associates.

### **THEORETICAL FOUNDATIONS**

The underpinning theory for this paper is the Expectancy-Disconfirmation Theory. This theory is the most promising theoretical foundation for the appraisal of customer satisfaction which. This Theory was proposed by Oliver in 1980. The theory implies that customer purchase goods and services with pre-purchase expectations about the anticipated performance. The expectation level then becomes a standard against which the product is judged. That is, once the product has been used, outcomes are compared against expectations. If the outcome

matches the expectation, confirmation occurs. Disconfirmation occurs where there is a difference between expectations and outcomes. A customer is either satisfied or dissatisfied as a result of positive or negative difference between expectations and perceptions. Thus, when product performance is better than what the customer had initially expected, there is a positive disconfirmation between expectations and performance which results in satisfaction, while when product performance is as expected, there is a confirmation between expectations and perceptions which results in satisfaction. In contrast, when product performance is not as good as what the consumer expected, there is a negative disconfirmation between expectations and perceptions which causes dissatisfaction. Expectancy-confirmation theory assumes that expectations, coupled with perceived performance, lead to post-purchase satisfaction which could enhance repurchase intention. This effect is mediated through positive or negative disconfirmation between expectations and performance. If a product quality outperforms expectations (positive disconfirmation) post-purchase satisfaction will result. If a product quality falls short of expectations (negative disconfirmation) the consumer is likely to be dissatisfied.

## **Empirical Review**

Anagbado (2019) investigated the

influence of packaging elements on consumers buying behaviour of selected fast-moving consumer products in Umuahia North L.G.A of Abia State, Nigeria. Seven objectives and seven hypotheses were formulated for the study. Primary data were used for the study which were collected using a well-structured and validated questionnaire. A total of three hundred and ninety-nine (399) questionnaires were randomly distributed in the study area. Only three hundred and sixty-two (362) were filled properly and then used for the analysis, which gave a response rate of 90.7%. Data collected for this study was analysed descriptively and inferentially using Ordinary Least Square Multiple Regression Analysis, ANOVA Test and Pearson Correlation Coefficient, testing the formulated hypotheses at 5% level of significance. From the analysis, the multiple regression of the packaging elements on consumer buying behaviour gave Bread ( $r^2 = 0.724$ ), Gala ( $r^2 = 0.793$ ), Beverages ( $r^2 = 0.853$ ), Biscuit ( $r^2 = 0.923$ ), and Bottled water ( $r^2 = 0.864$ ) which were statistically significant. ANOVA test gave Bread ( $F = 12.690$ ), Gala ( $F = 10.564$ ), Beverages ( $F = 14.730$ ), Biscuit ( $F = 9.562$ ), and Bottled water ( $F = 7.635$ ) which were significant. On the correlation test on the packaging elements and consumer buying behaviour, colour (0.634), background image (0.573), font style (0.623), wrapper design (0.823),

printed information (0.722), and packaging material (0.802) were also significant. Findings showed that packaging elements such as colour, background image, font style, design of wrapper, printed information and packaging material of bread, gala, beverage, biscuit and bottled water significantly influenced consumer buying behaviour to a high extent. The finding of the study also revealed that the packaging elements positively influenced consumers' buying behaviour of fast-moving consumer products. The study recommends that manufacturers of fast-moving products like bread, gala, bottled water, biscuits and beverages should give attention to packaging attributes and be innovative to win consumers' attention. They should be aware that if they introduce poor packaging for their products, their products failure in the market is certain.

Nilforushan and Haeri (2015) conducted a study to investigate the effect of visual packaging design on customers' perception of food products' quality, value, and brand preference. In this regard, by providing a conceptual framework and using statistical tests like structural equation modeling and Friedman test through SPSS and Lisrel software, hypotheses were examined. This was an applicable-practical research in terms of its purpose, a correlational research in terms of its nature, and a descriptive-survey research which used field

methods. Data were collected through library resources and field resources using questionnaire. Questionnaire validity and reliability were confirmed through content validity using supervisor professor's opinion and Cronbach's alpha coefficient (0.926), respectively. Statistical population consisted of customers of Isfahan Pegah pasteurized cheese packaging products with at least an experience of purchasing this product from Isfahan stores, from which 210 people were considered using simple random sampling. Structural equation modelling results indicated the significant effect of positive attitudes toward food packaging design on customers' perception. Furthermore, Isfahan stores customers' perceived quality of food products had a significant effect on their perceived value. On the other hand, customers' perceived quality of food products and their perceived value had a significant effect on their brand preference. Moreover, structural equation modelling results indicated the significant effect of positive attitudes toward food products packaging design on customers' brand preference. According to Friedman test, the most and the least mean ranks related to perceived quality and brand preference, respectively.

Sadique and Muhammad, (2015) carried out a study to evaluate the influence of packaging over consumer buying behaviour (consumer perception and purchase intention),

and to observe how these factors effect consumer's decision of purchasing a product. The objective of this research was to find out those elements behind the success of product packaging. The target population for this research were consumers in Pakistan. A total of 120 questionnaires were distributed and by using of the SPSS software to reveal research result interpreting on the correlation and regression analysis were made. The research finds out the intended variables and claims that it is beneficial for all type of organizations.

Ehsan and Samreenlodhi (2015) carried out a study to determine how package characteristics (colour, size, shape and labeling) influences consumer buying behaviour in perspective of FMCG (Detergents, soap, shampoo, milk, and soft drinks). The research was conducted in Karachi; Pakistan. A total of 217 structured questionnaires with Likert scale is used to collect primary data. 217 questionnaires were distributed. The data collected through survey was analysed by using SPSS. The finding revealed that Packaging is the essential and significant factor which largely persuades the consumer buying behaviour. It can be considered as one of most valued tools in today's marketing communications, acquiring additional detail analysis of its elements and an influence of such elements on consumers buying behaviour. Package executes a critical function in marketing communications, mainly during the

moment of sale.

Yen (2012) conducted a study to examine the impact of competitive product design and innovation strategy: a case study of computer outlet in Taiwan. Product design strategies were then compared in companies with different innovation strategies. Finally, a mapping model for product innovation and product design strategies was proposed for use by Taiwan enterprises in the computer and consumer electronics industries. A total of 284 questionnaires were distributed for the study and the studies showed that innovation strategies applied in the Taiwan computer and electronics industry can be classified as aggressive innovation type, market innovation type, technical innovation type, and opportunity innovation type. These four innovation strategies and ways of product design are closely related to the scale, business type and product development conditions in enterprises. Notably, different innovation strategies have different approaches to product design. Generally, product design emphasizes “new experience” in aggressive innovation enterprises, “new value” in market innovation enterprises, “new service” in technical innovation enterprises, and “new positioning” in opportunity innovation enterprises. The findings of this study provide a reference for product R&D and design in enterprises.

## METHODOLOGY

### Research Design

Survey research design method was adopted for this research. This because the study was based on the field research study. Pearson's Product Correlation Coefficient and multiple regression were employed for inferential statistical analysis.

### Area of the Study

This study was conducted in Awka, Anambra State, Nigeria. Awka is the capital city of Anambra State in South-eastern Nigeria.

### Population of the Study

The population used for this study was made up of consumers of star larger beer by Nigerian Breweries (NB) Plc in Awka metropolis. The population is unknown because usually some business people do not keep the statistics of their consumers or some business people do not like to release or disclose the number of their consumers.

### Determination of Sample Size

With an unknown population, Topman's formula was used to determine the sample size of the consumers of NB Plc in Awka Metropolis. The Topman's formula is given as;

$$n = \frac{Z^2 Pq}{e^2}$$

Where, n = required sample size; Z = the value of score associated with the degree of confidence selected; P =

Probability of positive response; q = Probability of negative response and e = the tolerable error or error margin 5% or 0.05

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e = the tolerable error or error margin 5% or 0.05

The basis for using Topman's formula is that researcher has to carry out a "Pilot Survey" in order to establish the proportion of respondents in the area of interest. The population of the people who consume star larger beer in Awka Metropolis were unknown. To determine the population sample size, the researchers carried out a "Pilot Survey by interviewing a random sample of 50 consumers. Out of 50 consumers randomly sample; 32 people agreed that they consumed Star larger beer, while 18 did not agree that they consume Star larger beer. Therefore, the proportion of those who consumed Star larger beer is

i.e Z = 95 or 1.96

P =  $\frac{32}{50}$

$$Q = \frac{50}{50} \text{ or } 0.64$$
$$E = 5\% \text{ or } 0.05$$
$$Z = \frac{(1.96)^2 \times 0.64 \times 0.36}{0.0025}$$
$$= 354.0 \text{ or } 354$$
$$N = 354$$

### 3.5 Sampling Technique

In order to prevent sampling error, the researcher used the survey method. Consumers were randomly selected. Simple random sampling, the essential purpose of random selection is to avoid subjective bias arising from a personal choice of sampling units.

#### Sources of Data and Types

The data used for the study was the primary data sourced from Nigerian Breweries Plc customers residing within the area of study. Primary information was collected using a structured questionnaire that generated data for the analysis. The type of data used for the study was interest and opinion data.

#### Research Instrument

Structured questionnaire was used as measuring instrument for this study. A five Likert scale point was used in measuring the responses of respondents to the structured questionnaire items. The responses had numerical values in terms of point(s) attached to them as follows: Strongly agree (SA) = 5; Agree (A) = 4; Neutral (N) = 3; Strongly Disagree (SD) = 2; Disagree (D) = 1. Thus, all the questions were simply required of

respondent to tick ( ) against the appropriate response. Twenty (33) question items were used for the study.

## RESULT AND DISCUSSION

### Distribution of demographic variables

In all, 600 customers were approached. The refusal rate was above 34.6%. 392 respondents agreed to participate but only 280 were valid for final analysis. The rest were not used for related incomplete data, responses bias and inappropriate responses. Age distribution of respondents: 86 (30.7%) are between 18-27 years of age; 118 (42.1%) fall within 28-45 years of age; while 76 (27.1) are within 46 years and age bracket. The implication of this is that the respondents are of reasonable age to give valid information. On the sex, 125 (44.6%) of the respondents are females while the remaining 155 (55.5%) respondents are males. On marital status, 159 (56.8%) of the respondents married while 121 (53.2%) of the respondents are single. On educational qualification, 66 (23.6%) are SSCE holders, 145 (51.8%) are holders HND/BSc degrees while the remaining 69 (24.6%) are holders MSc/Ph.D. The income level of the respondents indicates that 8 (2.9%) of the respondent are low income (N 20,000-N50,000) earners, 137 (48.9%) of the middle income (N51,000-N100,000) earners while 136 (48.2%) of the respondents are high income (N

100,000-and above) earners. Finally, most respondents were found to have a monthly average income varying between N51,000 to 100,000 which shows a relatively middle-income earner.

Finally, the percentage of responses from Awka, South-East, Nigeria were proportional to their population respectively. Durbin Weston was used to test for autocorrelation in this study. The Durbin Weston value according to our result is 1.494. The acceptable threshold is that the value must be close to two. In this study, the value is not close to two but the researcher did not border about it because, other basic parametric assumptions have been achieved in the study.

**Table 1: Reliability, validity and internal consistency Analysis**

Factor	Reflective item	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Standardized Cronbach's Alpha	Cronbach's Alpha if Item loading
<b>Product Packaging</b>	I am attracted to product due to the charming color of the pack.	13.0179	5.853	.655	<b>.530</b>
	I feel more comfortable with the size of the bottle	12.9000	5.223		<b>.718</b>
	Graphical designs of the product package lured me in buying the product.	13.7714	5.302		<b>.540</b>
	The standard of the picture quality of the product package is appetizing.	13.3321	4.445		<b>.594</b>
<b>Customer Loyalty</b>	I can easily identify the product at first sight due to unique nature of the package.	13.1643	4.783	.662	<b>.749</b>
	Spreading the good news about their products by others	9.6357	4.999		<b>.516</b>
	Buying more product	9.5179	3.763		<b>.477</b>
	Not considering other competing brands	10.3893	3.730		<b>.736<sup>a</sup></b>
	Joining the brand's social and media community activities	9.9500	3.359		<b>.556</b>

Source: SPSS statistics, 2021

### Test of Hypothesis

For the purpose of achieving the specific objective of this study, research hypothesis was originally formulated in line with the specific objective of the study. This hypothesis was tested by the researchers since the overall objective of the study is to examine the relationship between product packaging innovation and customer loyalty in Nigeria brewery industry, using consumers of star larger beer by Nigerian Breweries in Awka metropolis as the study. In line with the research objective, multiple regression method and correlation analyses were employed for testing the hypothesis of this study. In doing so, the following steps were consciously taken;

**Step 1:** Restatement of the hypothesis

Hypothesis one is restated in both null and alternate formats as follows:

- a. **H<sub>0</sub>:** There is no significant relationship between product packaging and customer loyalty among consumers of brewery product in Nigeria.
- b. **H<sub>1</sub>:** There is significant relationship between product packaging and customer loyalty among brewery consumers of product in Nigeria.

**Step 2:** Guiding Decision Rule

Taking decision by the researchers relating to the hypothesis tested is guided by the following decision rules. The decision rule is anchored on the conventional probability values (P-value) associated with regression outcome of the research baseline model. The decision rule is stated thus: Reject the null hypothesis if the probability value associated with the t-statistics of the coefficient is not significant at 10%, 5% and 1%; and accept the alternate hypothesis and vice visa. In technical terms, this rule is expressed as follows:

If Prob.value (Prob) = 10% or 5% or 10% → Reject H<sub>0</sub> and accept H<sub>1</sub>.

But if Prob.value ≠ 10% or 5% or 1% → Accept H<sub>0</sub> and reject H<sub>1</sub>.

**Table 2: Regression Results for Model 2: Customer Loyalty**

Variables	Std. Error	Beta Coefficients	t. stat.	Prob.
Constant	.125	-	.343	.000
Sum-ProductPackage	.030	.014	2.142	.709
T-stat.		2.571		

Source: SPSS Statistics, 2021.

**Table 3: Correlation Matrix**

Sum_PRODPACK	Sum_Custo mloyalty
Sum_PR ODQUA LITY	
	Pearson Correlation
	Sig. (2-tailed)
Sum_PR ODPAC K	Sum of Squares and Cross-products Covariance
	N

	Pearson	.034	.878**	.034	1
	Correlation				
	Sig. (2-tailed)	.566	.000	.566	
	Sum of				
Sum_Cus	Squares and	2.930	65.543	2.930	83.403
tomloyalt	Cross-products				
y	Covariance	.011	.235	.011	.299
	N	280	280	280	280

\*\* . Correlation is significant at the 0.01 level (2-tailed).

\* . Correlation is significant at the 0.05 level (2-tailed).

### Step 3: Results

From the analysis, the result of hypothesis shows that P-value is 0.709 with corresponding t-value of 2.142.

### Step 4: Decision

Based on the result, the researchers reject the alternate hypothesis and accepts the null hypothesis. This means that there is no significant relationship between product packaging and customers' loyalty among brewery product consumers in Nigeria.

From the analysis, the result of the hypothesis one which is the only hypothesis for this current study shows that P-value is 0.709 with corresponding t-value of 2.142. The implication of this result is that product packaging alone cannot guarantee customer loyalty.

### CONCLUSION

This study originally offers insight into the relationship between product

packaging and customer loyalty in Nigerian Breweries Plc. The global market today has become so diversified that consumers have more interests in new things, because their needs and tastes are constantly changing. These changes in their consumption pattern, calls for firms to adapt the use of innovation, as possible and significant way to satisfy their customers. Thus, the need for proper understanding of the construct of the relationship between product packaging innovation and customer loyalty by companies in brewery industry becomes imperative.

This study, product packaging innovation and customer loyalty in Nigeria brewery industry: a study of customers of star larger beer by Nigerian Breweries Plc., in Awka Anambra State, South-East, Nigeria was based on sample of 280 captive sample from the customers. Questionnaire was the major instrument used for primary data collection. In this study the descriptive statistics such as

frequency counts with simple percentage were used to analyze some data. Hypothesis was tested by the researchers since the overall objective of the study is to examine the relationship between product packaging and customer loyalty, using customers of Nigerian Breweries as the case study. In line with the research objective, correlation and regression analyses were employed for testing the hypothesis of this study.

### RECOMMENDATION:

It is hereby recommended that firms in brewery industry should always emphasis on how to improve on the whole product characteristics (product quality, product brand name features) instead of paying much attention to product packaging alone. This is because this study has established that packaging only cannot guarantee customer loyalty among consumers of larger beer product in Nigeria brewery.

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