

**A TWO-DIMENSIONAL TYPOLOGY OF PACKAGING ELEMENTS
TO EXPLORE THE PACKAGING LOCALISATION OF WESTERN
BRANDS IN NON-WESTERN MARKETS**

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ABSTRACT

Packaging works as a “silent salesperson” and “communication vehicle” in marketing communication (Limon et al. 2009; Pilditch 1961; Underwood 2003). As cultural and language differences exist between Western and non-Western countries, in this respect, when Western brands are sold in the non-Western markets, marketers tend to modify the product packaging to achieve the desired communication outcomes (Clement 2007; Khan et al. 2015; Khan et al. 2017b). Yet, while extensive studies have shown that localising elements (e.g., colour or pictorial cues) on packaging has a strong impact on consumer response in the non-Western markets, they have provided only fragmented views of this phenomenon (Bakar et al. 2013; Clement et al. 2013; Limon et al. 2009; Underwood et al. 2001). On the basis of literature review, two major knowledge gaps were identified. First, existing studies primarily looked at individual packaging elements. Second, these studies primarily focused on measuring the effects of packaging elements on consumer behaviour and well-established individual differences as moderating factors were overlooked. Consequently, a lack of systematic insights may lead to inefficiencies in achieving brand communication objectives and hinder marketing managers’ efforts in developing effective packaging localisation strategies.

In light of these critical gaps, two studies in this thesis were conducted to provide systematic insights into the influence of packaging localisation of Western brands in non-Western markets. The first study draws on signalling theory (Spence 1974), symbolic theory (Cooley 1902) and accessibility-diagnostics theory (Feldman & Lynch 1988). It develops a two-dimensional typology of packaging elements by grouping individual elements based on their similar and known influences on consumer behaviour. Study 1 captured 385 types of packaging from four categories in major supermarkets in China and Australia. The extensive data provided evidence for validating the proposed typology. An abductive reasoning approach was employed for the typology validation. The results of Study 1 showed that packaging elements can be categorised into two dimensions, namely the functional and the symbolic dimension. The captured data and validation lent support to the contention that existing studies had provided an incomplete picture of the efficacy of packaging localisation, thereby resulting in misleading conclusions and ineffective packaging localisation strategies.

Building on the results of Study 1, Study 2 investigated the persuasion effects of localised and standard¹ packaging dimensions by considering the moderating effects of individual difference variables. Specifically, this study argued that the persuasion effects of packaging dimensions would differ due to individual differences in need-for-cognition (NFC) (Cacioppo & Petty 1982) and need-for-affect (NFA) (Maio & Esses 2001). It further argued that individual differences and brand familiarity could interact to affect the effectiveness of packaging dimensions.

Method-wise for Study 2, the results of a discrete choice experiment found that high-NFC consumers tended to evaluate the localised functional dimension of packaging elements (product name and descriptions) more carefully than low-NFC consumers. Moreover, compared to when they are familiar with the brands, high-NFC consumers rely more on the localised functional dimension to guide their choice making for unfamiliar brands. By contrast, the symbolic dimension of packaging elements (brand name and tagline) in standard packaging had a more significant impact for high-NFA, than for low-NFA consumers' choice. Further, compared to when they are unfamiliar with the brands, high-NFA consumers relied more on the standard symbolic dimension to guide their choice-making for familiar brands.

Overall, this thesis contributes to academic as well as applied marketing in several ways. First, the typology sheds new light not only on academic research on packaging localisation, but it also provides brand managers with more precise insights into the meaning and underlying mechanism of packaging elements. These new insights can be used to inform their packaging localisation strategies for non-Western markets. Second, this thesis contributes to packaging research by alerting marketers to segment and target customers differently depending on their NFC or NFA dispositions. Third, this thesis contributes to packaging design literature from a methodological perspective by adopting a mixed-method research approach to enhance the robustness and generalizability of the findings. Fourth, this thesis recorded and provided extensive data of packaging localisation practices. The data provide evidence for international marketers to understand better how Western brands localise

¹ In this thesis, a standard packaging is defined as an English-language packaging that one would normally find in a Western market

packaging in non-Western markets. Overall, the findings in this thesis deliver useful guidelines for international marketers to develop effective packaging localisation strategies in their non-Western markets such as China.

Finally, this thesis also highlights some potential issues for future research. First, the research scope of products and contexts can be extended to other non-Western countries and industries beyond consumer goods and China. A broader research context will enhance the generalisation of the findings (Cochran 2006). Future research should also compare Western versus domestic brands in standard and localised packaging to further extend this nascent research stream. Lastly, other well-established variables such as ethnocentrism and cosmopolitanism may potentially affect the communication effects of packaging. The moderating effects of these variables should also be considered.