
PACKAGING STRATEGIES AND CUSTOMER PATRONAGE OF AGRICULTURAL PRODUCE FIRMS IN RIVERS STATE

Oghenekome, E.G.¹ and Ozuru, H. N.²

^{1,2}Department of Marketing Faculty of Management Sciences,
University of Port Harcourt
wydengrcoy@gmail.com

Abstract

This paper investigates the relationship between packaging strategies and customer patronage of agricultural produce firms in Rivers State. The aim was to examine the relationship between packaging strategies and customer patronage of agricultural produce firms in Rivers State using packaging size and packaging material as dimensions. The study adopted the explanatory and cross sectional survey approach. 203 copies of questionnaire were distributed. The Multiple Regression Analysis Statistical tool was used with the aid of Statistical Package for Social Sciences (SPSS version 23.0), discriminant validity (AVE) and Cronbach Alpha verified the internal consistency and validity status and the results were positive. The findings of the study showed that packaging strategies significantly related with customer patronage of agricultural produce firms, thus enhancing price and referrals. Based on the findings, the study concluded that packaging strategies and customer patronage significantly correlated. Therefore, the study recommends that, Agricultural produce firms should periodically evaluate how consumers respond to their product packaging so as to enhance the competitiveness of their products in the market.

Keywords: Packaging Strategies, Customer Patronage, Agricultural Produce Firms

Background

No doubt, agriculture provides the greatest avenue for employment generation, income and food for the Nigerian populace. Agriculture is a major sector of the Nigeria economy, from the nation's earliest days, agriculture has held a crucial place in the Nigerian economy, culture and plays an important role in the society; the provision of food through agriculture is man's first priority for his continuous existence (Arokoyo, 2012). Agriculture is very important to the world economy especially Nigeria and other developing countries of Africa (Dim, & Ezenekwe, 2013). Agriculture is everyday science which involves all aspects of crop production including horticulture, livestock rearing, fisheries, forestry, etc (Tersoo, 2013). Agriculture is defined as an art, science and business of producing crops and livestock for economic purposes (Grewal, & Ahmed, 2011). As an Art it embraces knowledge of the way to perform the operations of the farm in a skillful manner, but does not necessarily include an understanding of the principles underlying the farm practices (Grewal, & Ahmed, 2011).

As for Naik (2015) packaging refers to the container or wrapper that holds a product or group of products. Packaging also protects the product from damage during Storage and distribution, and it is an important sales tool in promoting the product to the consumer. He also defined packaging as the silent salesman in the store and it was the only communication medium between a product and the final consumer at the point of sales. Packaging strategy is an ultimate selling proposition that stimulates impulse buying behaviour (Kuvykaite et al. 2009). It is being said that a good packaging design is regarded as an essential part of successful business. Packaging strategy proves fruitful for promoting consumer's goods and services. Packaging contain a wrapper after the use of the product these wrappers are wasted. The aim of the packaging provides not only safety to the product but it is a powerful tool to provide information about the role of markets. Hellström (2007) in his study highlighted three distinct definitions of packaging: (1) Packaging is a coordinated system of preparing goods for transport, distribution, storage, retailing, and end use; (2) Packaging is the means of ensuring safe delivery to the ultimate consumer in sound condition at minimum cost; (3) Packaging is a techno-economic function aimed at minimizing costs of delivery while maximizing sales (and hence profits).

According to Charles et al. (2011), in their book "Essentials of Marketing" think that packaging has four distinct marketing functions. It contains and protects the product. It promotes the product. It helps consumers use the product and finally, packaging facilitates recycling and reduces environmental damage. Packaging strategies enable marketers to align brands with target groups of consumers. Brand values are inferred from packaging design and this has an impact on purchase intent, particularly when brand values are congruent with personal values (Liman, 2009). As personal values stem from membership of cultural and peer groups, careful attention is paid to which values are important to the target group (De Chernatony, 2006). For instance, value packaging becomes more prominent in times of economic pressure (Spink, 1996). In respect to innovative packaging, it is more likely to appeal to individuals who place greater significance on the visual aesthetics of design, and this innate sense of design has been shown to have a strong effect on the perceived attractiveness of the packaging strategies and pack innovations are often appealing to youth, who are drawn to novelty and the desire for something new (Wakefield et al., 2002). Packaging strategies is a primary marketing mix function that gives form to a product and also serves secondary function of promoting and advertising product.

Researchers in the past attested to the significant relationship between the packaging strategies, such as colour, size, material, quality of content and shape, and consumer buying behaviour, using different locations, with various products such as milk, food, rice, detergent,

and tooth paste, and different methods of analyses (Silayoi & Speece, 2004; Nilforushan & Haeri, 2015; Gomez, Consuegra & Molina, 2015; Gilninia, Ganjima & Moradi, 2013; Rasheed, Olanipekun & Adetunji, 2015; Oladele, Olowookere, Okolugbo, & Adegola, 2015; Akabogu, 2014; Mousavi & Jahromi, 2014; Adam & Ali, 2014). However, the relevance of these packaging strategies constructs has not been empirically investigated in the developing country like Nigeria, in emerging market like Rivers State, and specifically on Agricultural produce. The researcher seeks to investigate the relationship between packaging strategies and customer patronage of agricultural produce firms in Rivers State.

Research Problem

Packaging strategy has become itself a sales promotion tool for organizations especially those into agriculture. The primary aim of packaging strategies centered on maintaining product safety, wholesomeness, and quality. Despite the increasing popularity of packaging strategies in the promotion of agricultural produce, it has not yields it target goal in triggering customer patronage. Furthermore, despite these perceived achievements of packaging many customers still are concern about quality and price of agricultural produce while others are still skeptical about patronizing them given these determinants. Thus, although some locally made products are observed to be of high quality and exclusive but, they are not accepted as good packaged products to enable them to be sold successfully, especially outside or within the local and foreign market.

However, customer patronage of agricultural produces has been low in recent time, consumers usually choose foreign products from countries such as India, China, Malaysia, Indonesia, Thailand, South Africa, USA, and Britain among others at the expense of produces in Nigeria which are more advanced with regard to packaging. Proper marketing communication is given to agricultural produce in Nigeria and this has reflected on the quality of the produces, price to acquire these farm produce and referrals to friends and family over farmers' produces, all has declined. 'The rate at which agricultural produce are being advertised one may be forced to ask question bothering the use of packaging strategies in the application of marketing mix many agricultural firms are faced with one problem or the other.

Packaging could salvage the encapsulated decline in patronage through packaging material and packaging size. There is a great need to look at other marketing mix elements which usually comes first before packaging, despite the fact that good packaging promotes sales; wrong packaging can lead to the total rejection of goods. Again, packaging affect consumer buying decision, because wrong\bad online service packaging can make a consumer not to buy a particular product. In the wake of this present market challenge, many actors especially the local ones are looking for effective packaging strategies that could help gain a competitive advantage over other similar products especially imported brands. There is an identified gap in the research on how packaging strategies can add value when it is received from commercialization. It is against this point, the researcher prompted to investigate the relationship between packaging strategies and customer patronage of agricultural produce firms in Rivers State.

Aim and objectives of the study

The aim of this study is to empirically examine relationship between packaging strategies and customer patronage of agricultural produce firms in Rivers State. Based on this, we have the following specific objectives to:

- i. Determine the extent of relationship between packaging size and customer patronage of agricultural produce firms in Rivers State.

- ii. Determine the extent of relationship between packaging material and customer patronage of agricultural produce firms in Rivers State

Literature review

Theoretical/ Conceptual Framework

Diffusion is a communication process where innovation is communicated over time, among all member who participate in social system. The factors affecting the rate of adoption are categorized in four fronts: innovation, communication channels, time, and social system. This explains how the variables are determined by using the rate of adoption and important part being the independent variable (Rogers, 2003). Many examples have been found to describe this but the diffusion of innovation by using various technologies as an example is more easily to explain these problems. Usually the new technology takes long period for the end users to adopt them (Geroski, 2000). In this perspective, adoption is defined as a decision of make use of an innovation as the best of course action is available (Rogers, 1995). In the literature, Diffusion of innovations by Rogers and Crossing the Chasm by Moore are two fundamental books that discuss adoption theory.

According to Rogers (1995), all innovations should have certain attributes in order to persuade and be adopted by Retailers. This argument follows with some general characteristics of innovation and their adoption rate. This paper aims provide an understanding of key drivers and barriers in the adoption process of a product in the packaging industry. For that reason, the adoption curve is not conducted with research but the perceived attributes. In order to choose a framework, one must start from the widely accepted and universally relevant attributes which are based on past writings and researches. It can be argued that there are general attributes of innovations which have affected their rate of adoption. According to Rogers, attributes to innovation are (1) relative advantage, (2) compatibility, (3) complexity, (4) trialability and (5) observability. It is important to understand these concepts to use them efficiently (Rogers, 1995). The concept of perceived attributes (Rogers, 1995) has serves as the basis for a number of diffusion studies (Daniel et al, 2011).

Packaging Strategies

In the old days the people did not focused more on packaging. This was due to the fact that commodities were consumed in their raw states either on the spot or sometimes carried from their homes. Because at the time the society had not developed to the extent and there was no competition who think in a specific way in the manufacture and selling the products. From this the evolution is done to develop gradually in packaging. The most significant era of packaging is when man started keeping some of his wares in leaves and shells as containers which is endowed by nature. The information which is oldest on package manufacturing is available to the research dated as 1844, when paper production was introduced in Europe.

Ahmad, Mohib, & Lakhan, (2012), stated that packaging is the last impression for retailers and they make decisions on the basis of product packaging, therefore it is very important that packaging is working hard to secure the sale, this may be in the form of brand image, brand values, product quality and innovations (Mahera, Sayeda, Sana, & Mubin, 2015). Packaging provides protection from chemical, biological, and physical deteriorations. Physical protection shields food from mechanical damage and includes cushioning against the vibration encountered during distribution and transportation (Gumbleton, 2007). It also reduces the marketing and advertisement cost of the product (Abdullahi, 2014). Packaging performs multi-tasks and functions which describes the product & its features and also communicate with the customers and also safeguard the product (Silayoi, & Speece, 2007). For example, packaging of the product tells about different ingredients, usage of the product

and also it tells about some precautions if the product has any side effects. Packaging is one of the foremost components of promoting, designing and plays an important role in marketing.

Agricultural packaging is generally done for the preservation of agricultural produce during storage, transportation and marketing (Bolaji, 2010). Agricultural packaging is essential and performs many disparate tasks, protects food from contamination and spoilage, easier for transportation and in storage, maintains uniform measurement of contents (Abdullahi, 2014). It is recognized that chemicals from packaging and other food contact materials can migrate into the food and be ingested by the consumer (Castle, 2006). According to Abdullahi, (2014) talks about migration of chemicals from packaging materials into the food depend on Composition of the packaging material, nature and extent of contact, nature of the food, temperature of contact, duration of contact and Mobility of the chemicals in the packaging (Castle, 2006).

Packaging Size

Packaging size is one of the main visual attributes when making a purchase decision (Vila, & Ampuero, 2007). The packaging size is related to usability, as consumers appear to use this visual criterion as a heuristic that helps to make volume judgments (Silayoi, & Speece, 2004). Consumers use the height of the container or its elongation to simplify volume judgments (Raghubir & Krishna, 1999). A bigger package reflects better value but consumers from smaller households are not interested in larger packages (Silayoi & Speece, 2004). The larger packaging size is more easily noticed and communicates higher value (Silayoi & Speece, 2004). Research has shown that many products need to be sold in different package sizes due to the market demand for flexibility (Rundh, 2005). The study was conducted in Sweden through use of four case studies, which limited the study as it combined data sources including both qualitative and quantitative data. These findings were however reinforced by a study on packaging size by Silayoi and Speece (2004) that was conducted in Thailand using a focus group. The findings that showed that the buyers as for small family while large packages perceive small package size are seen as a waste of product for the small families.

Consumption or frequency of use of a product increases when packages are redesigned or available in larger sizes (Kotler & Keller, 2008). Packaging size depends on products features and the target market (Smith & Taylor, 2004). Larger pack sizes convey better quality (Smith & Taylor, 2004) and increases impulse consumption. An investigation done by (Rundh, 2013) on customer requirement of packaging shows that change in the size of household in effect changes the product size. An investigation done on the size attribute of packaging by (Agariya et al. 2012) shows that different packaging size is way to extend a product into new markets. Another study on packaging size shows that smaller packaging size are considered by consumer of smaller family and that the large size of packaging communicated the waste of product for them (Silayoi & Speece, 2004). This was also found true in another study that consumer's willingness to buy a product increases if products are presented in smaller packages and if products have shorter expiry date then consumers do not prefer large package sizes (Ahmadi et al., 2013). Market demand also suggests that due to smaller households products are to be bought in smaller packages (Rundh, 2005).

Packaging Material

Material of packaging describes the communication of materials, texture and the fabric information of products (Wu et al, 2009), and as the packaging market is a highly competitive place, the actual packaging has become as significant to success as the product it is wrapped around (Daily Foods, 2001). According to Daily Foods (2001) developing and selecting the right container that successfully markets a product, especially foods, requires an

understanding of packaging materials. Packaging professionals need to understand the advantages and disadvantages of particular materials and how they can be used to differentiate the product. The most used materials in packaging are today classified into plastic, paper, metal and glass (Hong & Suhua, 2011). Plastic started to be used for packaging in the beginning of the 20th century and has become the most economically popular packaging material. Paper packing is also a very fashionable choice because of its formability and low cost. Aesthetically it is also a great marketing choice as beautiful pictograms can be directly printed onto the package. Metal packaging materials are known for being especially useful for protecting food during long periods of time, especially at war, during the 19th century.

Today metal is still going strong due to its protecting character. But what has really made metal a favourite among packaging professionals is the ability to shape it into many different forms, and designers can get very creative with the shape and size of their containers with the use of metal (Hong & Suhua, 2011). Finally, glass is another favourite among producers as it also can form into various shapes. It is hard, transparent, heat-resistant and can be easily cleaned. It is primarily used for oil, alcoholic drinks, beverages and cosmetics. What might be considered as a negative aspect of glass as a packaging material is that it is fragile, relatively heavy and the cost of transporting and storing the material is rather high (Hong & Suhua, 2011). But going back to the semantics of materials; different materials can provide various feelings of quality and experience. Metal, for instance, gives a high-tech experience and can also be associated with pride. Also (referring to a material that we did not mention above) different kinds of wood such as bamboo, rattan and other natural materials give consumers a nature sensation (Wu et al, 2009). As technology evolves, more materials are created that not only give designers additional choices but leads to possibilities for new combinations and solutions that fit a certain experience that consumers are looking for. New material combinations also make it easier to differentiate products, and has become an important tool that helps expand design thinking (Hong & Suhua, 2011).

Customer Patronage

Patronage is defined as the level to which a customer displays repeat purchase behaviour from a service provider, possesses an affirmative, enduring outlook and temperament concerning a service provider (Gremler & Brown, 1996). From the observation of Oliver (1999), customer patronage is demarcated that a profoundly held dedication to repurchase a firm's products at the cost of a competitor's offering. Customer patronage is an amalgamation of psychological factors that impacts on purchase behaviour (Burnkrant, 1982; and these factors are well thought-out important by consumers (Moye & Giddings, 202); and used as a criteria in influencing which firm to patronize (Ogbuji, Onuoha & Abdul, 2016). Customer patronage has been measured by an assortment of authors in diverse magnitude, as well as store traffic flow (Engel, Blackwell & Miniard, 1996); willingness, word-of-mouth and repurchase (Baker et al, 2002); repeat purchase, customer retention and customer referrals (Awah, 2015); and customer satisfaction and referrals (Ogbuji et al, 2016). These dimensions of customer patronage were used by these authors to explain that the continued existence of any business is a utility of the rate of patronage. Consequently, and in corroboration with earlier studies, this study adopts store traffic flow and customer referrals as the measures of customer patronage, and scrutinizes customer patronage as the means of a respondent's evaluation for his or her firm's store traffic flow and customer referrals level.

Price

Urun, (2011) stated that there is a pricing objective covering first the orientation on profit or called the profit maximization that every company always chooses the price that can give the

most profit. Second, Orientation on volume pricing objectivity. Third, orientation to the image. Company image can be formed through pricing strategies. High prices for prestigious shows while low prices are used for trust purposes. Johan, (2007) stated that the customer view, price is what is given up or sacrificed to obtain a product or service. Saptariani, (2008) indicated that the price is defined as what is given up or sacrificed to acquire a service or product, while Kanagal, (2006) suggested that price is the amount of money charged for a product or a service; the sum of the values that customers exchange for the benefits of having or using a product or service.

How customers perceive a certain price, in which the high-low price of a product can be a significant effect on a customer intention to purchase the product (Chioveanu, 2005) and customer will give an attention to the price paid by other customers, no one is happy to pay more cash compared to other customers. The fairness of the price will influence the perception of the customers and it ultimately will influence their willingness to become a customer (Sidek, 2008). For toothpaste products, the price is the amount of money that is taken out for a toothpaste; customer value that is exchanged to get the benefit from the ownership or use of a toothpaste. Johan, (2007) and Kusdiyah, (2012) defined price as something that can be measured which consists of several indicators, such as the affordable price, the fair price, discounted price, competitor price, and price suitability.

Referral

Referrals can encompass as the passing of information between non-commercial communicator (i.e. someone who is not rewarded) and a receiver concerning brand, product or service (Kornish, & Quiping, 2010). The information could be helpful or damaging. While marketers crave for customer referrals, they should be mindful not to get negative referrals from customers (Helm, 2003). Referrals is effective marketing programme that firms adopt to create product awareness and patronage, it costs nothing or next to nothing, and have proven useful (Ryu, & Lawrence, 2007). The term referrals are used to describe situation whereby a satisfied customer voluntarily decides to speak good about a firm and its services to his or her friend, thereby encouraging them to make a trial purchase (Godes, & Dina, 2009) and holds that behaviour in certain circumstances may result not from attitude evaluation, but overall affective response in process called affect-referral.

This implies that consumers may change in behaviour based on what they held from their familiar persons. The credibility of spokesperson in a customer referral means of promotion is relatively high, compare to other promotion methods, since the ego defence mechanism of the receiver is down, and the spokesperson is not perceived agent to firm (Helm, 2003). The potential customer sees the spokesperson as someone who was ones in his shoes and discovered solution to that problem or need that they are facing. Research has shown that referred customers have high retention rate, and are more valuable (Bulte, 2011). Organizations especially packaging industries need to come up with conscious marketing technique that can get them positive customer referrals, as this has shown to be effective tool for promotion. Lobel et al, (2015) and Biyalogorsky, et al. (2001) opines that referrals have emerged as a primary way through which companies in social net-working era gain new customers; instead of spending money on traditional advertising, many companies now rely on social media-based referral programs to bring in new customers.

Packaging Strategies and Customer Patronage

According to Keller, (2009), packaging is the process of designing and producing containers and wrappers for products. It is so important that most marketers believe it is the fifth “P” of the marketing mix (Ebitu, 2019) and it is considered to be an important element in product

strategy. Packaging is an important factor of product recognition as well as an important factor in creating positive product associations (Mohebbi, 2014). In competitive industries, like the agricultural produce industry, packaging can be an effective way of achieving marketing objectives and satisfying customers desires through visual elements like package size, shape, text, colour, material and graphics and its functional elements as well (Rundh, 2005). Also, Robert (2011) maintains that packaging plays essential roles in marketing such as protecting products; enabling product storage, facilitating product transportation to end consumers; enabling customers to safely handle products while preserving their quality; and promoting products by persuading customers to buy the products through innovative and creative display of graphics. As such, manufacturers and dealers of agricultural produce have significantly intensified their use of packaging as an important tool for marketing their products.

The practice of packaging is dominantly visible in the South-South agricultural produce industry. Virtually selected agricultural produce in South-South have their unique packaging enabling customers to identify and differentiate them from similar products. Manufacturers and dealers of agricultural produce use packaging attributes (such as brand name, information, design of wrapper, among others) as a tool for product differentiation and promotion in order to gain customers' awareness and patronage. Packaging name is the unique identity of a product; it is a part of the packaging that can be vocalized and it is a distinct name by which a product is known to the target audience (Owolabi, & Isaac, 2009). Every packaging has a name because it helps to identify the product at a glance and differentiate it from competing brands (Ibrahim, Abdullahi & Bello, 2019). Similarly, Ghosh (2016) presents packaging information as the information displayed on or in the package of a product describing the product; its composition, key ingredients, manufacturer/distributors, country of origin, manufacture/expiry dates, means of usage and precautions. On the other hand, design of packaging wrapper is the way a packaging material is designed; and it includes the colours, graphical and artistic elements that appear on a product's package. According to Ishaku, & Tijani, (2013), graphical and artistic designs on packaging make a product unique, preserve its individuality, and enable the product to stand out on the shelf. Packaging colours adds value to the physical appearance of a products and increases its packaging quality (Imiru, 2017).

Packaging size and Customer patronage

Packaging sizes depend on the different involvement levels. The low involvement food products have a low price which is generated through cost savings created by reduced packaging and promotional expenses. The effect of package size has a strong influence on the purchasing choice when the quality of the product is hard to determine. Therefore, the appropriate size causes the consumer to think of the package as having better product volume and cost efficiency (Silayoi, 2007). Size of the package is always dependent on the market targeted and the product (Smith, & Taylo, 2004). According to Smith & Taylo, (2004) large pack sizes give the impression of better quality and influence consumers in engaging in impulse buying. Big and taller products attract more attention when placed with competing brands, when the consumer has a choice between different brands, they will probably choose to buy packages that are taller than the other (Alervall, & Saied, 2013).

This finding was supported by an examination done by Bo, (2009) on the size attribute of packaging that showed that using different packaging size can extend a product into new markets. This study was conducted on 49 respondents through a quantitative survey. The findings also showed that market demand suggests that small household purchase products are packaged in small packages (Rundh, 2005) and consumption of a product increases when

packages are redesigned or available in larger sizes. Packaging size depends on products features and the target market. Based on the above we formulate the following hypotheses. Thus:

Ho₁: There is no significant relationship between packaging size and price of agricultural produce firms in Rivers State.

Ho₂: There is no significant relationship between packaging size and referral of agricultural produce firms in Rivers State.

Packaging material and customer patronage

The material used in packaging is an important element which prevents the product from any damage or loss. It is more likely that the high quality material might attract customer more than low quality material. So, packaging material has strong impact on customer patronage. Smith & Taylor (2004), stated that customer link the packaging materials is associated by consumers with certain essential values of the product and in the consumer perceptions regarding certain materials could change the perceived quality of a product. Kuvykaite, et al. (2009) investigate the impact of package elements on consumers' purchase decision. This descriptive research carried out in Luthuania showed that material of the product was the most influential visual element that had much effect on the purchasing of powder and milk was able to protect the milk. Hollywood (2013) investigated in the UK on the perception of milk based on the packaging material using six focus groups. Cardboard, glass and plastic were the three packaging materials discussed. According to the findings in the research, there was different perception in line with the packaging materials. Glass as a product of packaging was most preferred however it was considered heavy and it needed to be washed after use.

Many consumers disregarded by consumers and many stated that it cannot keep fresh products for a long time and is not visible (Hollywood, 2013). The respondents preferred the plastic products. Packaging materials communicate and consumers associate certain intrinsic values with the material of a product (Smith & Taylor 2004). In addition materials also affect the quality of a product, which means consumer perceptions regarding certain materials could change the quality of a product. Some packaging materials are to be made in a way, so that it could bear the temperature below zero or high temperatures in microwave depending on the product functionalities and the needs of a consumer (Singh, 2006). Based on these unending arguments, we hypothesize that:

Ho₃: There is no significant relationship between packaging material and price of agricultural produce firms in Rivers State.

Ho₄: There is no significant relationship between packaging material and referral of agricultural produce firms in Rivers State.

MATERIALS AND METHODS

The aim of this section is to provide a suitable research approach that will provide the framework to determine pertinent research methods/techniques. In the light of this discourse, the study adopted the explanatory and cross sectional survey approach. The explanatory survey measures the antecedent factors that cause business success (cause-and-effect); thereby leading to building and /or validating theories as predicting and controlling the phenomena of interest. On the other hand cross sectional survey measures the opinions of Agricultural produce industries staffs, with different cadres and sex. Consequently, the population of the study comprises of selected, Twenty-Nine (29) agricultural produce packaging firms in Rivers State. This is premised on information obtained from the National Agency for Food & Drug Administration and Control (NAFDAC) office, Port Harcourt.

(www.nafdac.gov.ng); Rivers State Bureau for Public- Private Partnerships (www.rsbypp.org.ng) and Standards Organisation of Nigeria (SON) South-South Regional Office, Port Harcourt. Based on the small size of the population, the study adopted a census study. We developed interactive section with the human resources manager and other employees for only two months, which involves dropping seven (7) copies of questionnaire for each firm which amount to 203 copies of questionnaire. Purposive sampling technique was adopted for nature and characteristics of the respondents. Multiple Regression was used to test the hypotheses.

Table 1: Measurement Model: Reliability and Validity for PS, PM, P and R

Construct	Item	Loading	CR	AVE	α
Packaging size	<i>PS1</i>	0.911	0.95	0.82	0.802
	<i>PS2</i>	0.895			
	<i>PS3</i>	0.922			
	<i>PS4</i>	0.901			
Packaging material	<i>PM1</i>	0.855	0.91	0.73	0.809
	<i>PM2</i>	0.871			
	<i>PM3</i>	0.898			
	<i>PM4</i>	0.788			
Price	<i>P1</i>	0.844	0.90	0.74	0.901
	<i>P2</i>	0.875			
	<i>P3</i>	0.869			
Referrals	<i>R1</i>	0.819	0.94	0.80	0.831
	<i>R2</i>	0.945			
	<i>R3</i>	0.877			
	<i>R4</i>	0.941			

Source: SMARTPLS Result Output

As evidenced in Table 1, the paper witnessed all the observed variables (statement items) factor loaded was high against their elemental factors (latent variables), owing to factor loadings ranging from 0.788 to 0.945. These values are all above the suggested threshold of 0.6, implying that they were valid measures of their latent factors. Also, for all cases, CR, AVE and Cronbach Alpha (α) were higher than their suggested threshold values of 0.5 respectively. All these imply that our data achieve convergent validity. For discriminant validity, we follow the usual procedure by comparing the Cronbach Alpha (α) with the multiple regression coefficients between the constructs. All in all, our measurement analysis shows that packaging size, packaging material, price and referrals are all objectively and validly measured by their respective statement items contained in our research instruments.

DATA ANALYSIS AND PRESENTATION

The data analysis was done using multiple regression.

Table 2: Regression Analysis showing the relationship between packaging strategies and customer patronage

Model	R	R ²	Adjusted (R ²)	Std. Error of the Estimate	F	Sig.	Durbin-Watson
1	.962 ^a	.926	.924	.23949	492.266	.000**	.435
2	.913 ^a	.833	.829	.31420	195.570	.000**	.197

Regression Model 1: $P = 0.473 + [(0.119PS) + (0.026PM)]$

The model 1 revealed the linear relationship between packaging size (PS), packaging materials (PM) and price (P). The result indicated a regression relationship (R) = 0.962 as well as regression square (R^2) = 0.926 which was equivalent to 92.6%. This showed that a positive and strong nexus existed between the variables as indicated in the decision rule. This further explained that 92.6% variation can be explained by factors within the model used for the study while the remaining 7.4% can only be suggested by other factors in the model used for the study. The f-ratio ($F_{2, 202}=492.266$) showed significant effects in existence and this revealed the strength of the model used for the study. The t-ratio statistic revealed significant impact of packaging size and packaging material on price. This analysis outputs revealed that packaging size and packaging material made significant contribution to price of agricultural produce firms in Rivers State. Furthermore, the (p-value) is less than ($<$) 0.05, we therefore rejected the established null hypotheses one and three that no significant relationship between packaging size, packaging material and price of agricultural produce firms in Rivers State.

Regression Model 2: $R = 1.853 - [(0.070PS) + (0.173PM)]$

The results of the multiple regression variables indicated $R = 0.913$, $R^2=0.833$ which is equal to 83.3% and this is the explanatory strength of the model used. It means that only 83.3% variation can be explained by factors within the model used while 16.7% can only be explained by other external quantitative and qualitative factors of the model used for the dissertation. The f-ratio ($F_{2, 202}=195.570$) showed significant effects in existence and this revealed the appropriateness of the model used for the paper. The t-ratio statistic showed significant for the two dimensions of the predictor variable to the present status of referrals. These results revealed that the two proxies of the predictor made significant contribution. Also, the $p\text{-value}<0.05$ for H_2 and H_4 which means they were all rejected as regard to referrals.

DISCUSSION OF FINDINGS

Positive significant relationship between packaging size and customer patronage (price and referrals)

Hypothesis one (H_{01}) was designed to examine the relationship degree between packaging size and price of agricultural produce firms in Rivers State. The result revealed the existence of a positive significant relationship between packaging size and price of agricultural produce firms in Rivers State ($R = 0.962$; $R^2 = 0.926 \sim 92.6\%$). Our analysis showed the existence of a strong and positive significant relationship between the two variables. Also, the R^2 (= 0.926) is very high as against Durbin Watson Statistic ($DW = 0.435$) which output is close to one (1), implying that the relationship between packaging size and price of agricultural produce firms in Rivers State as specified in our model is spurious. Considering the probability value which is less than the stated level of significance ($Pv<0.05$) we therefore, rejected hypothesis one earlier stated in section one.

Also, hypothesis two examined the nexus between packaging size and referrals of agricultural produce firms in Rivers State. The result of the finding revealed the existence of a strong and significant relationship between them ($R = 0.913$; $R^2 = 0.833 \sim 83.3\%$). Also, the R^2 (= 0.833) is very high as against Durbin Watson Statistic ($DW = 0.197$) which output is close to one (1), implying that the relationship between packaging size and referrals of agricultural produce firms in Rivers State as specified in our model is spurious. Considering the probability value which is less than the stated level of significance ($Pv<0.05$) we therefore, rejected hypothesis two earlier stated in section six.

This finding was supported by an examination done by Bo (2009) findings that packaging size significantly related with customer patronage. Also, Adebisi, & Akinruwa (2019) results

showed that packaging size has a significant positive effect on customer patronage of Bournvita. Chukwu & Enudu (2018), suggested that poor packaging can dissuade consumers from buying product. Their research findings show that a significant and positive relationship lies between packaging size with consumer buying behaviour.

Positive significant relationship between packaging material and customer patronage (price and referrals)

Hypothesis three (H_{03}) was designed to examine the relationship degree between packaging material and price of agricultural produce firms in Rivers State. The result revealed the existence of a positive significant relationship between packaging material and price of agricultural produce firms in Rivers State ($R = 0.962$; $R^2 = 0.926 \sim 92.6\%$). Our analysis showed the existence of a strong and positive significant relationship between the two variables. Also, the R^2 ($= 0.926$) is very high as against Durbin Watson Statistic ($DW = 0.435$) which output is close to one (1), implying that the relationship between packaging material and price of agricultural produce firms in Rivers State as specified in our model is spurious. Considering the probability value which is less than the stated level of significance ($Pv < 0.05$) we therefore, rejected hypothesis three earlier stated in section four.

Hypothesis four revealed the nexus between packaging material and referrals of agricultural produce firms in Rivers State. The result of the finding revealed the existence of a strong and significant relationship between them ($R = 0.913$; $R^2 = 0.833 \sim 83.3\%$). Also, the R^2 ($= 0.833$) is very high as against Durbin Watson Statistic ($DW = 0.197$) which output is close to one (1), implying that the relationship between packaging material and referrals of agricultural produce firms in Rivers State as specified in our model is spurious. Considering the probability value which is less than the stated level of significance ($Pv < 0.05$) we therefore, rejected hypothesis four earlier stated in section four.

This finding was supported by Kuvykaite et al. (2009) who result indicated that packaging material has a positive and significant relationship with customer patronage. According to Lee (2010) showed that materials on the packaging for convenience goods has no significant relationship with buying decision. Patrick et al. (2015) found that packaging material significantly related with patronage of toothpaste among consumers in Ado-Ekiti metropolis, Nigeria.

CONCLUSIONS AND RECOMMENDATIONS

The results on packaging strategies indicators, namely packaging size and packaging material, all contributed significantly towards achieving customer patronage (price and referrals) of agricultural produce firms in Rivers State. In light of this, the study therefore concludes that:

- i) The findings revealed that packaging size significantly influence price and referrals of agricultural produce firms in Rivers State.
- ii) Furthermore, packaging material significantly relates with price and referrals of agricultural produce firms in Rivers State positively.

Based on the results, the study concludes that packaging strategies is strongly and positively relates with customer patronage of agricultural produce firms in Rivers State.

Therefore, the following recommendations are put forward:

1. Agricultural produce firms should periodically evaluate how consumers respond to their product packaging so as to enhance the competitiveness of their products in the market.

2. Agricultural produce firms should always include packaging in their product decision so as to create a good image of their product and build brand equality in the minds of their consumers.
3. Agricultural produce firms should ensure that they design packaging that cannot be tampered with, which if breached or missing will provide visible evidence to consumer that it's been tampered with.
4. Agricultural produce firms in Rivers State should strive to build strong brand names for their products by maintaining the highest level of product quality in order to enhance consumer patronage; adequate product information should be displayed on the packaging of cosmetics in order to enable consumers make informed purchase decisions.
5. There is need to continually evaluate the materials being used in packaging since the relative cost and benefits of alternative materials are over hanging.

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