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## **The Influence of Packaging on Consumer Purchase Intention of Craft Beer**

Diogo Alexandre Afonso Luís

Master in Management

Supervisor:

PhD Susana Maria dos Santos Henriques Marques, Associate  
Professor,  
ISCTE Business School

November, 2021





BUSINESS  
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Marketing, Operations and General Management Department

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## Resumo

O segmento das cervejas artesanais tem crescido exponencialmente em Portugal, com o desenvolvimento de empresas estabelecidas e a entrada de novos concorrentes. Com uma oferta tão variada, as marcas tentam destacar-se e ser adicionadas aos carrinhos dos clientes, sendo um dos principais métodos através da embalagem. A embalagem é bastante investigada em marketing, pois representa o primeiro ponto físico de contato entre produto e consumidores, desempenhando um papel essencial na atração e influência de opiniões/decisões de compra dos clientes. Assim, este estudo pretende investigar a relação entre a embalagem/elementos da embalagem e a intenção de compra de cerveja artesanal, investigar a importância relativa da embalagem como critério de compra, descrever as preferências dos consumidores relativas às embalagens de cerveja artesanal e identificar possíveis tendências nessas preferências. Para responder a estas questões utilizaram-se as metodologias qualitativa e quantitativa: uma entrevista semiestruturada com o gestor de marketing de uma marca portuguesa de cerveja artesanal, dois *focus groups* com participantes de diferentes idades e um questionário a 200 pessoas. Os resultados qualitativos sugerem que a importância da embalagem varia conforme o nível de conhecimento do mercado dos consumidores e que, geralmente, a embalagem influencia as intenções de compra. Os resultados quantitativos sugerem que o layout do rótulo é o único elemento da embalagem que tem impacto nas intenções de compra de cerveja artesanal e que há uma correlação entre a preferência de estilo de embalagem e idade/género, com consumidores mais jovens/mulheres a preferir embalagens modernas e consumidores mais velhos a preferir embalagens clássicas.

**Palavras-chave:** Embalagem; Cerveja Artesanal; Intenção de Compra; FMCG; Comportamento do Consumidor; Branding

**Sistema de Classificação JEL:** M31 (Marketing); M37 (Publicidade)





## **Abstract**

The craft beer segment has been growing exponentially in Portugal, with the development of established players and the entrance of new ones. With so many different offers on the market, brands are trying to get noticed and added to shoppers' carts, with one of the main ways of doing this being through packaging. Packaging has been a widely researched topic in marketing literature as it represents the first physical point of contact between consumers and a product, playing an essential role in attracting consumers' attention, influencing their opinions, and impacting their decision-making process. Thus, this study aims to research the relationship between packaging/packaging elements and consumer purchase intentions of craft beer, as well as to investigate the relative importance of packaging as a purchase criterion, describe consumers' preferences regarding craft beer packaging and identify possible trends in these preferences. To answer these questions three methodologies were employed: a semi-structured interview with the marketing manager of a Portuguese craft beer brand, two focus groups with participants of different age groups and a questionnaire of 200 respondents. Qualitative findings suggest that the importance attributed to packaging varies according to the level of consumers' market knowledge and that, generally, packaging influences consumers' purchase intentions. Quantitative findings suggest that label layout is the only packaging element that has an impact on consumer purchase intentions of craft beer and that there is a correlation between packaging style preference and consumers' age and gender, with younger/female consumers preferring modern packaging and older consumers preferring classic packaging.

**Keywords:** Packaging; Craft Beer; Purchase Intention; FMCG; Consumer Behavior; Branding

**JEL Classification System:** M31 (Marketing); M37 (Advertising)



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## **Glossary**

PI – Purchase Intention

FMCG – Fast Moving Consumer Goods

POS – Point of Sale

PCA – Principal Component Analysis

KMO - Kaiser-Meyer-Olkin

CEO – Chief Executive Officer

IPA – India Pale Ale



# 1. Introduction

According to Nielsen Portugal (2019), the beer segment represented the most valuable Fast Moving Consumer Goods (FMCG) category in Portugal, amounting to 1.460 million euros in sales and 473 million liters, with a growth of 19% in value and 15% in volume in that same year - the highest growth of the beer category in the last decade. Another article written by Carina Rodrigues of the magazine “Grande Consumo” claims that promotions and seasonality associated with the summer are still two of the most important factors when it comes to beer sales in Portugal, but diversification and a broad offer of options is starting to play a crucial part in consumers’ decisions and habits. Products such as ciders, specialty beers and craft beers are increasing in popularity as of recently. Specifically, and although it is still fairly new in the country, in later years the craft beer market has been growing in an exponential way, with the entrance of many new players and the strengthening of existing ones. This staggering evolution, partly due to the education of consumers about different types, styles, and production techniques of beer, has made it possible for the market to transition from a more niche market to a larger but not yet mass-market category.

On a 2016 interview to Meios e Publicidade, Bruno Carrilho, co-founder of the Portuguese brand of craft beer “Musa”, considers that “craft beer is not a trend but rather the transformation of an industry” led by the USA and he mentions that, in the US, craft beer already represents more than 20% of the segment. According to “The State of the U.S. Beer Market” – an in-depth look on the market by Nielsen’s collaborator Danny Brager in 2017 – the increase in sales of the segment in the country is not due to increased consumption but rather to the craft sub-category, which represented approximately \$4.8 billion for the year ended Jan. 28, 2017. The study argues that “marketing and label innovation play a significant role in getting noticed and added to shoppers’ carts”, especially with such a high level of variety. A Nielsen Craft Beer Design Audit study in April 2016 also found that “70% of beer purchase decisions are made at the shelf, which is 12 percentage points higher than average of 58% across U.S. fast-moving consumer goods categories.”. According to them, 71% of craft beer buyers say they “like to try brands with bold and interesting packaging”, 66% say that a “beer’s package design is very or extremely important in catching their eye” and 60% say the “packaging design is very or extremely important in convincing them to try a specific brand”.

Packaging has indeed been a widely studied topic in the field of marketing as it represents not only a means of logistically ensuring safe and efficient delivery to the consumer but also one of the most powerful tools for communicating the brand message (Hellström and Nilsson, 2011). Rundh (2005) states that product packaging can impact and influence the opinions of consumers, draw in consumers’ attention, and stimulate consumers’ perceptions into forming their purchase intention about a particular product. Past studies have also suggested that most impulse buying happens because of product display and that attractive packaging

plays an important part in product display (Ghani and Khamal, 2010) - a product's packaging can, therefore, provide an opportunity to communicate and directly influence the consumer's behavior at the point of sale (Atkin et al., 2006). This shows that packaging is a crucial aspect of product development that directly influences sales performance, which proves to be especially true in the FMCG market, where the high level of markets' competitiveness and number of brands available has intensified the need to "stand out" and the consumer purchase involvement seems to be on the lower end, resulting in impulse guided decisions.

Although numerous studies have proven that packaging has an impact on quality perception, hedonic liking, brand preference and consumer purchase intentions, the communication function of packaging has surprisingly received minimal attention in empirical studies compared with other topics. Many packaging design-related studies have focused on studying the hypothesis that if a product is commercialized in a more aesthetically appealing package it is most likely to be noticed and purchased compared to one that is not. While certainly an important discovery, this relationship might be too broad as it does not necessarily explain the importance of each individual packaging element on consumer behavior or which attributes of a packaging have the most impact on consumer's perception and purchase intent.

Some studies have already been developed, mainly in the FMCG segment for products like chocolates, fruit juices, cheeses, and snacks but in the alcoholic beverage segment studies of the sort have mostly been conducted for the wine market. A good example of this is a recent study published by Chamorro et al., in 2021, which proved that in terms of design elements, wine labels seemed to have the biggest impact on consumer choice, followed by the type of bottle, bottle seal and brand name. In the wine segment, bottle design represented a relatively low importance in shaping consumer preferences when compared to other attributes such as origin, price, and category of wine but the authors found that this importance varied according to the level of knowledge about wine and frequency of consumption.

With that said, a detailed empirical study researching the overall impact of packaging on consumer purchase intentions of craft beer brands and the impact of each individual element of craft beer packaging in grabbing consumer's attention does not exist yet. Since, as previously stated, sales performance in this market is so closely linked to packaging perception and purchase decisions made at the POS, there is a major interest in discovering more about the aforementioned impact and in better understanding consumers' preferences towards craft beer packaging. Therefore, this study's aim is to do exactly just that – understand the link between craft beer packaging and consumer purchase intentions and to empirically analyze the association between multiple packaging elements and consumers' preferences. This research will be of particular interest in the context of Portugal since, as previously stated, the craft beer market is still relatively new to the country and consumers' preferences towards specific brands' packaging are still arguably not as strongly ingrained as in other FMCG segments. To collect a better understanding about this topic this study sets out to find answers to the following research questions:

- 1) What is the relative importance of packaging in purchase intentions in the Portuguese craft beer market compared with other purchasing criteria?
- 2) What packaging elements of craft beers (label colors, label typography, label photography, packaging shape/size, packaging material...) have the greatest influence on consumer preferences?
- 3) For each of the individual elements of craft beer packaging, which are the most preferred by consumers? For instance, which packaging material, label typography or label colors are most liked?
- 4) Do consumers have different preferences regarding craft beer packaging/value different elements according to their age, gender, or consumption frequency?

This dissertation has the following structure: literature review; conceptual model and research hypothesis; contextualization; methodology; results and discussion; conclusions and recommendations. Firstly, a literature review was developed, to synthesize past authors' research findings and to investigate current knowledge on the study's interest topics: packaging, packaging elements, purchase intention and the relationship between packaging and consumer purchase intentions. Next, a conceptual model was developed, as well as the study's research hypothesis. Following that, a contextualization in the form of a study on the beer market in Portugal is presented. After that, a methodology section was developed, explaining the reasoning for the chosen qualitative and quantitative methods, and how the respective data was collected, treated, and analyzed. Subsequently, results from the mentioned methodologies are presented and discussed. Lastly, conclusions are summarized as theoretical contributions and managerial implications, and limitations of the study as well as suggestions for future research are also listed.

The main objectives of this study are, consequently: to understand the motivations behind consumers' choices in the craft beer market; to comparatively measure the importance of a craft beer's packaging as a purchasing criterion against other factors such as price, brand or beer style; to discover which specific elements of the packaging are most important for the consumer; to describe consumers' preferences regarding those same elements; to identify differences in preferences according to age, gender and consumption frequency; to make recommendations for future craft beer packaging conceptualization. From a managerial point of view this study's findings will provide valuable insights for managers, marketers, and packaging designers on what criteria they should prioritize when designing packaging for craft beer brands and when developing a branding strategy in this market, particularly in light of the current growing number of players in the Portuguese context.



## **2. Literature Review**

This chapter aims to present a thorough review of existing literature on three main topics. Firstly, it introduces the concept of packaging, its relation to marketing and its main functions. Secondly, it touches upon specific packaging elements and their importance. After that, it introduces the concept of purchase intention, and, finally, it aims to summarize the existing knowledge concerning the relationship between multiple packaging elements and consumers' purchase intentions.

### **2.1. Packaging as a Marketing Component**

In marketing literature, the packaging is usually referred to as a part of the marketing mix strategy. Kotler (2017) defines marketing mix as “the set of tactical marketing tools that the firm blends to produce the response it wants in the target market” and argues that it “consists of everything the firm can do to engage consumers and deliver customer value”, categorizing these possibilities into four major groups – the four Ps: Product, Price, Place and Promotion. When touching on the concept of product, Kotler (2017) explains that it designates the combination of goods and services offered by a company to satisfy a want or need of a market and that a product is not simply the tangible object offered to the consumer, but instead, can also include “services, events, persons, places, organizations, and ideas or a mixture of these”. Due to this definition, many marketing activities can be categorized under the P group that refers to Product – specifically: variety, quality, design, features, brand name, services and, finally, packaging.

Kotler (2017) builds upon this idea by establishing three different levels of products and services, in which each level adds more customer value to a product. The most basic level is called the core customer value, which answers the question “What is the customer really buying?” or “What needs is the consumer able to satisfy by acquiring said product?”. If a consumer buys a car the core customer value might be transportation, status, or confidence or in the case of a smartphone, communication, entertainment, or productivity, for instance. The second level, in which packaging plays a major part, is called the actual product, where product developers turn the core customer value into a real product. Kotler (2017) explains that in this level product planners “need to develop product and service features, a design, a quality level, a brand name, and packaging” and uses Apple's iPad as an example: “...the iPad is an actual product. Its name, parts, styling, operating system, features, packaging, and other attributes have all been carefully combined to deliver the core customer value of staying connected”. Lastly, the third level is called the augmented product and it refers to consumer services and benefits that can be added to the previous levels, such as warranty, product support and delivery options.

Other authors such as Keller (2013) consider packaging to be an attribute that is not directly related to the product, but rather one of multiple brand elements – “trademarkable devices that serve to identify and differentiate the brand”. Keller identifies ten brand elements - packages, brand names, URLs, logos, symbols, characters, spokespeople, slogans, jingles, and signage – and suggests that “marketers should choose brand elements to enhance brand awareness; facilitate the formation of strong, favorable, and unique brand associations; or elicit positive brand judgments and feelings”. This author also refers that packaging can often become one of the strongest associations that consumers experience to brands, serving as an important means of brand recognition – examples of this phenomenon can be recognized in cases such as Heineken beer or Coca-Cola, whose glass bottles have become strong brand identifiers for many consumers.

## **2.2. Packaging: Concept and Functions**

Broadly speaking, when it comes to physical products, the term packaging refers to the physical container that is around the item itself, which holds, protects, preserves, and identifies the product as well as facilitating its handling and commercialization (Giovannetti, 1995). This author further develops the definition of packaging by categorizing three types of packages. Primary packaging, which concerns the packaging designed to be presented at the point of sale as a unit of the product and is in direct contact with it, such as a bottle of juice. Secondary packaging, which contains one or more primary packages and is meant to either be sold as a whole, or to simply hold together multiple units of a product that can be sold separately – an example of this would be a plastic packaging holding six bottles of juice. Lastly, tertiary packaging, which contains the two previous ones and serves to facilitate handling and transportation of multiple units of the product in a safe way – such as a cardboard box containing several sets of six juice bottles. More recently, authors such as Keller (2013) and Kotler (2017) have defined packaging in a more concise way: all the activities of designing and producing a container or wrapper for a product.

A product’s packaging has multiple functions of crucial importance throughout the entirety of an item’s supply chain, and, for a long time, researchers have pointed to these diverse functions being generally related with either logistics or marketing (Prendergast and Pitt, 1996). Rundh (2005) mentions that the first function of packaging is to “protect and contain the product from the filler to the end-user”, referring to its functional and logistical aspect, and that the second function is to “display and promote the product on the supermarket shelf”, referring to its marketing and communication aspect. Hellström and Nilsson (2011) built upon these ideas by arguing that packaging is not only a means of logistically ensuring safe and efficient delivery but also one of the most powerful tools for communicating the brand message to consumers.

Indeed, packaging has been proven to be an extremely powerful marketing tool and its communication capabilities allow it to function as a true “salesman on the shelf” (Silayoi and Speece, 2004). This is



especially verifiable in the food market, where an increasing number of options creates a highly competitive environment and where many choices are made directly at the Point of Sale (POS) due to most items in this category being considered “low involvement products” - products for which “consumers do not search extensively for information about the brands, evaluate their characteristics, and make a weighty decision on which brand to buy” (Kotler et al., 1996). Kotler (2013) corroborates this idea by arguing that nowadays packages must perform various sales tasks “from attracting buyers to communicating brand positioning to closing the sale”.

Rundh (2005) states that packaging can be considered “the first point of contact” with a brand and that, on average, a typical shopper passes about 300 items per minute on a supermarket. Because of that, it is vital that a product’s packaging can stand out on the shelf, attract the consumer’s attention, and make a positive impression, to impact its decision-making process. This is confirmed by Underwood (2003), who proved the hypothesis that if a product is commercialized in a more aesthetically appealing package it is most likely to be noticed and purchased compared to one that is not. Similarly, Silayoi and Speece (2004) mention that attractive packaging is more likely to be purchased because it “generates consumer attention by breaking through the competitive clutter” and that “poor packaging can push consumers away from buying the product”. Ibojo and Olawepo (2015) argue that packaging can deliver a brand-new image or value to the existing product and that it can be used to help consumers differentiate from products that have similar characteristics. The previous studies prove that, in many cases, it is possible that the consumer has not been previously exposed to communication efforts from brands and its behavior will be mainly based on stimuli offered by different packaging options that act as guiding cues to aid and influence customers in choosing their favorite item from the large array of available options.

Kotler (2017) highlights the fact that poorly designed packages can also be a problem for consumers and represent major loss of sales for companies. Hard-to-open packages such as DVD cases sealed with sticky labels or sealed plastic clamshell containers can prove to be a challenge to unwrap, causing “wrap rage”; Overpackaging, the use of unnecessary and excessive packaging, can also be troublesome, since it “creates an incredible amount of waste, frustrating those who care about the environment”; Lastly, product safety has also become a crucial packaging concern, especially due to product tampering scares in the 1980s, which created the need for tamper-resistant packages in recent years. In a similar way, Keller (2013) argues that “packaging changes can have immediate impact on customer shopping behavior and sales” and illustrates this impact with the following examples: “a redesign of Häagen-Dazs packaging increased flavor shoppability by 21 percent; General Mills saw an increase in sales of 80 percent after redesigning Bisquick Shake n’ Pour package to improve its ergonomics and by creating a “smooth, curvy form that reinforces the brand equity”; a redesign on the packaging for Jimmy Dean’s Biscuit Sandwiches lead to an increase of 13 percent in household penetration”.

With all this in mind, we can conclude that packaging must not be seen as a minor factor to be considered by brands, but instead a crucial aspect of product development that has the ability to directly influence a product's success and sales performance – and in many cases, can be just as important as the product itself.

### **2.3. Packaging Elements**

From a marketing perspective, Silayoi and Speece (2004), state that packaging can be analyzed and divided according to two different categories: visual and informational elements. Visual elements refer to graphics such as colors, layout, typography, and product photography, which combined create an image, but also to sizes and shapes. These elements usually relate more to the affective side of decision making. Informational elements, on the other hand, refer to packaging information such as product, brand, and nutritional information and to technologies used in the development of packaging, which relate more to the cognitive side of decision making. Ampuero & Vila (2006), Underwood (2003) and Ranjbarian et al. (2010) additionally mention a third category called structural elements in which shape, size, elongation, and material can also be included, but for the sake of this study we will be following terminology from Silayoi and Speece (2004).

#### **2.3.1. Visual Elements**

For consumers, the package can be often seen as the product itself, especially for low involvement products, where first impressions formed during initial contact can have long-lasting impact (Silayoi and Speece, 2004). Grossman and Wisenblit (1999) state that, usually, for low involvement decisions, product attributes are of less importance, so graphics and colors become critical in the process of decision making due to consumers forming attitudes based on very little information. Conversely, when it comes to high involvement products, consumers' behavior is less influenced by visual elements, since usually, in such cases, consumers seek more information to make their decisions (Silayoi and Speece, 2004).

Time pressure is another variable related to the importance of visual packaging elements. Herrington and Cappela (1995) state that nowadays consumers shop under higher levels of perceived time pressure and Hausman (2000) mentions that often, products seem to be chosen without prior planning, as a form of impulse buying. Following this line of thought, Silayoi and Speece (2004) found that the influence of visual elements on choice is stronger when consumers have less time in which to make the product choice, and weaker when they do not have time pressure, proving the need for visual elements to make a product stand

out from other offerings, since a package that more easily attracts consumers at the POS will help them make quicker decisions.

### **2.3.2. Informational Elements**

Ranjbarian et al. (2010) argue that “in contrast to consumers who rely on visual information, some rely on label information quite heavily” and that “many consumers feel that it is important to consider information on the package in order to compare quality and value”. Written information on the package – whether that is nutritional, brand or technology information – serves, therefore, to assist consumers in making their decisions carefully as they consider product characteristics.

The impact of information varies according to the level of involvement of consumers – when consumers experience high levels of involvement with the product due to enough time in hand, information’s impact seems to be higher, whereas when they experience lower levels of involvement, information’s impact seems to be lower (Ahmed et al., 2005). Time pressure also reduces the customer’s ability to pay attention to informational elements, minimizing their influence on overall purchase intentions and proving the need for effective communication through packaging (Silayoi and Speece, 2004). The influence of informational elements is, therefore, stronger when consumers have more time to consider their choices, evaluate the presented information and rely on it to build a purchase intention.

### **2.4. Purchase Intention**

Spears and Singh (2004) define a purchase intention as a consumer’s conscious plan or intention to make an effort to purchase a product. Lu, et al. (2014) add that purchase intentions are “a consumers' willingness to buy a given product at a specific time or in a specific situation”. Thus, the concept of a purchase intention merely represents the aim or wish to acquire a certain item and does not necessarily mean that a consumer will always implement said intention, since this action depends on multiple factors that influence one’s buying ability. With that said, it has been proven that the longer a consumer intends to purchase a specific product or service, the higher the purchase intention will be (Liat and Wuan, 2014) and that high purchase intentions generally lead to actual purchase behaviors (Keller, 2001). Chi, et al. (2013) argue that consumers’ purchase intentions come from their perception of the benefits and value acquired by buying a product and that this variable is an important indicator to predict consumer buying behavior. Yeo, et al. (2015) also highlight the importance of consumers’ purchase intentions, mentioning that they are key factors for a company when it comes to achieving a competitive edge in a marketplace.

Since purchase intentions are the root of purchase behaviors it is essential to comprehend what factors can trigger them, not only to understand consumers' buying process but also how to encourage these behaviors, leading to a product's success – therein lies the importance of the study of this variable. Keller (2009) tackles this question and points out that purchase intention is influenced by a consumer's recognition of the product, their conduct, and their disposition. Moreover, Khan et al. (2018) argue that there is a multitude of factors that can affect purchase intentions and amongst them are included aspects such as brand image, experience of peers and finally, packaging. As a result, and since the relationship between packaging and purchase intention has already been well established, the question of, in which ways can individual packaging elements influence said intentions, consumers' preferences and, ultimately, their buying behaviors comes into existence.

## **2.5. Packaging Elements and Purchase Intentions**

Although, as mentioned, many studies have proven the relationship between packaging and consumers' purchase intentions, a major portion of these studies approach packaging as a holistic concept, instead of further analyzing its individual elements. Recent research projects have started to focus more on empirically understanding the relationship between specific packaging elements and consumer purchase intentions. Some of these studies tackle this topic from a general perspective, neither market nor product specific, but instead, studied as a ubiquitous construct, applicable to diverse product categories, while others seem to concentrate their scope on a singular market or product. In this chapter we present an overview of literature about the packaging elements we will be studying, as well as a summary table of past studies, in the food sector, regarding the relationship between multiple packaging elements and consumer purchase intentions.

### **2.5.1. Packaging Color and Consumer Purchase Intentions**

Spence and Velasco (2019) and Ehsan and Lodhi (2015) found that among the different visual elements of packaging that are available to consumers, color is one of the most important as far as attentional capture and appeal are concerned. Grossman and Wisenblit (1999) argue that consumers learn color associations which leads them to prefer certain colors for certain product categories or even associate a specific color with a particular brand. This explains why some of the world's biggest brands can be associated with certain colors by using them as a major cue on packaging and branding - for instance, Coca-Cola with red or Starbucks with green. Caivano and López (2007) defend that, conversely, applying an "unusual" color to a package can cause it to stand out on the shelf and break stereotypes, imposing its chromatic identity as a

powerful symbol – a good example is Milka, a lilac chocolate brand that broke the traditional associations of its category with brown.

Evidence also supports that colors can signify product attributes such as white packages conveying affordability and simplicity, green and brown packages conveying that a product is natural, wholesome, and eco-friendly (Fraser, 2018) or products targeting higher income groups being often associated with dark-colored packages (Ampuero and Vila, 2006). That said, different cultures may signify different meanings to the same colors, such as grey being associated with the word inexpensive in China or Japan and the opposite being true for US consumers (Grossman and Wisenblit, 1999) – because of this, marketers who wish to associate a certain meaning to a package’s color should always consider cultural context. In fact, color associations are so prominent in peoples’ minds that they have been proven to go as far as to influence a consumer’s experience of the product itself (e.g., its perceived flavor, fragrance...). Tijssen et al. (2017) represented this well, by finding that altering the hue, saturation, and lightness of a package’s color resulted in consumers expecting different levels of sweetness, creaminess, fattiness, or flavor intensity for various food items.

### **2.5.2. Packaging Typography and Consumer Purchase Intentions**

Typography is another important component of packages, as the text on a product is essential for effective communication. Mutsikiwa & Marumbwa (2013) points that suitable, legible, and readable font styles with appropriate arrangement are used to make a product more visible, with the objective of reducing the time a consumer spends looking for a particular brand on shelves and that “brand name, company name, place of origin, company address, and others are important components of the package typography which are essential in attracting consumers attention and ultimately influence their purchase decisions.”.

When it comes to different connotations regarding typefaces, Tantillo et. al (1995) found that Serif typefaces – fonts with “fine cross-lines at the extremities of letters” (Josephson, 2008) - were rated as more elegant, emotional, happy, valuable, young, and less traditional than Sans Serif styles, which were considered more manly, powerful, smart, upper-class, readable, and louder than the Serif styles. Similarly, Rowe (1982) found that a script typeface was associated with antiquity and regarded as being more elegant than non-scripted styles. Other associations have also been found regarding specific markets, such as the Garamond font style being commonly used for luxury products, Century Bold for economy products (Lupton, 2004) or italic typefaces for health-related products (Smith & Taylor, 2004). It has also been argued that font styles can help consumers decode intended messages and that consumers tend to respond more quickly when typefaces are aligned with said messages (Silayoi & Speece, 2007). Because of this, many

companies hire typography specialists to compose strategically relevant, attractive, and innovative font styles to use on their products (Deliya and Parmar, 2012).

### **2.5.3. Packaging Photography and Consumer Purchase Intentions**

The inclusion of photography – realistic images, illustrations, or others - on packages is a common tactic, used to visually represent products or brands in an effective manner and to enhance visibility in the form of vivid stimuli. According to VanHurley (2007) packages with pictures are usually preferred over packages without pictures. Underwood et al. (2001) suggest that consumers are more likely to spontaneously imagine how a product looks, tastes, feels, smells, or sounds when looking at a product picture on its packaging, providing a cue to the product's quality and often influencing brand beliefs and product choice. This was later confirmed in a study by Wells et al. (2007), in which over 43% of consumers claimed to use the package photography as an indication of product quality and in which one customer also referred using the photography to “assist as a serving suggestion”.

It is possible therefore to say that packaging photography is one of the main ways consumers use to compare and differentiate between brands. Ranjbarian et al. (2010) mention that another advantage of using pictures on packaging is “their ability to enhance incidental learning” and that “research has demonstrated that people learn more quickly and effectively when information is presented in picture rather than words”. Underwood et al. (2001) corroborate this idea, by arguing that pictorial content represents concrete information that tends to be more influential in the decision-making process than more abstract verbal information.

Ampuero and Vila (2006) also found that non-selective products marketed to middle classes are usually associated with both illustrations and photographs, upper class products and products based on guarantees are associated with photographs and images of the product and accessible products are associated with illustrations and with images of people.

### **2.5.4. Packaging Layout and Consumer Purchase Intentions**

Packaging layout refers to the composition of a package's image and to the positioning of all the visual packaging elements on its surface. Herrington and Capella (1995) argue that, as a customer tracks multiple packages with its vision, the differential perception, and the positioning of the graphic elements on a package may make the difference between identifying and missing an item.

Psychology research on brain laterality proves that perception is not symmetrical and that, instead, words are better recalled when perceived from the right-hand side of an individual and pictorial or non-

verbal cues are better recalled when perceived from the left-hand side (Rettie and Brewer, 2000). This implies that, in most cases, pictorial elements, such as product photography should be positioned on the left side of packages, while text should be positioned on the right side, in order to maximize consumer packaging recall.

Ampuero and Vila (2006) also found that high price products seem to be associated with vertical straight lines, squares, straight outlines, and symmetrical compositions with only one element. Conversely, non-selective products marketed to middle classes, usually use horizontal and oblique straight lines, circles, curves, wavy outlines, asymmetrical compositions, and several elements.

### **2.5.5. Packaging Size and Shape and Consumer Purchase Intentions**

Packaging size, shape and elongation influence consumers' perceptions and decisions, as they use these variables as "simplifying visual heuristics to make volume judgements" (Ranjbarian et al., 2010). Past studies have shown that, generally, consumers perceive more elongated packages to be larger, even after buying these items frequently and experiencing their actual volume – implying that disconfirmation of the package size after consumption does not necessarily lead consumers to revise their volume judgements, especially if the discrepancy is not very large (Raghubir and Krishna, 1999). Because of this, elongating a package's shape, within acceptable bounds, may result in consumers associating a better value for money to the package, resulting in larger sales.

Preference towards packaging sizes and shapes could also vary according to household size and involvement level. Ampuero and Vila (2006) found that bigger packages generally reflect better value, and while this might be attractive for bigger households, consumers from smaller households might prefer smaller sizes, as larger portions can communicate waste. When it comes to low involvement products, such as generics, low prices are achieved by reducing packaging and promotional costs. These products are usually packaged in larger sizes, with the objective of appealing to the consumers looking for good deals and that find the low prices combined with bigger size, an excellent value for money proposition (Prendergast and Marr, 1997). This could also suggest that, when quality is harder to determine, as with generic products, the effect of packaging size is stronger.

The shape of a package may also represent a critical element in the creation of brand identities - some unique packaging shapes have reached iconic statuses due to familiarity and consistency in package design, such as Coca-Cola's hourglass-shaped glass bottle or Mrs. Butterworth's grandmother-like figurine. These shapes cause the brands to benefit from "visual equity", a term that describes "durable brands that build equity in their visual image as a result of continuity of imagery in packaging design" (Underwood, 2003).

### **2.5.6. Packaging Information and Consumer Purchase Intentions**

When it comes to packaging information, Coulson (2000) highlights its importance using a food labeling case and proving that the trend towards healthy eating has emphasized the significance of food labeling, giving consumers the opportunity to consider alternative products and to make better informed food decisions. Similarly, Wells et al. (2007) found that 21% of consumers used the product descriptor as a tool for judging quality, a behavior that was especially noticeable in indulgent seeking consumers, which “appeared to be easily persuaded by the use of sensory descriptor words to appeal to their senses” - one shopper even reporting to look for a product that made “their stomach rumble and mouth water” when reading the descriptor. Consumer sophistication is another factor leading to the recent increased significance of packaging information (Silayoi and Speece, 2004).

Although information plays an essential role, Silayoi and Speece (2004) also mention that “packaging information can create confusion by conveying either too much information or misleading and inaccurate information”. According to the authors, “manufacturers often use very small fonts and very dense writing styles to pack extensive information onto the label” leading to poor readability and confusion for consumers, which can lead to the rejection of a product in favor of packages with more effectively communicated information. Mitchell and Papavassiliou (1999) argue that one way consumers usually use to reduce confusion from information overload is reducing their scope of choice alternatives and evaluative attributes. This strategy could especially apply to more experienced consumers since they potentially look at fewer brand options due to their acquired experience, becoming more selectively perceptive (Hausman, 2000).

Although printed information has become more important for consumers in recent times, it seems many are still not satisfied with the formats they are presented in. Mitchell and Papavassiliou (1999), for instance, found that 90 percent of respondents agreed that nutritional information panels should be laid out in the same way for all food products so that they are easy to understand quickly. UK survey data also shows that nearly two-thirds of consumers now read food labels, but one-third wish to see clearer labeling (IGD, 2003).

### **2.5.7. Packaging Material and Consumer Purchase Intentions**

Packaging material refers to the physical matter used in an item’s container such as cardboard, glass, aluminum, or plastic, and it can hold, protect, and preserve the product inside of it. Khan et al. (2018) state that packaging material can reflect the quality and image of a product and Underwood et al. (2001) state that when consumers consider a certain package’s material to be of lower quality, they can also assume the quality of the product itself is lower.



The perceived quality of packaging material has some important effects – for instance, a study by Holt et al. (2004) proved that packaging material has a direct relationship with consumer purchase intentions, as well as an indirect relationship with purchase intentions through the mediation of perceived quality. This means that if consumers perceive a certain package’s material as being low-quality, this could strongly impact consumers’ purchase behaviors (Holt et al., 2004). Moreover, Silayoi and Speece (2004) found that consumers consider the role of packaging material important when it comes to convenience in the cooking process, easiness to open, dispensing an adequate amount of product and prolonging foods’ life while stored.

Preferences regarding packaging material can also differ among consumers and products. For instance, Holt et al. (2004) found that consumers preferred glass packaging for milk and juice, instead of cardboard or plastic packaging, Ribeiro et al. (2018) found that while some consumers preferred glass packaging for Requeijão cheese others preferred plastic packaging as they felt glass was too heavy to carry and Kobayashi and Benassi (2015) discovered that criteria influencing purchase intention could vary depending on the material used in coffee packages.

Most recently, due to a general heightening in environmental awareness, companies have started to use environmentally friendly packaging materials to appeal to consumers and increase purchase intentions (Lau & Wong, 2000). According to a 2021 article by Marketeer, Portuguese consumers are now making more sustainable purchase decisions than ever, and not focusing exclusively on price and product ingredients, but also on packaging material. Approximately 70% of Portuguese consumers buy glass packaging since they consider it to be the material option with higher quality and the healthiest of them all. Meanwhile, only 66% of them buy cardboard/paper packaging, 13% buy aluminum/can packaging and, finally, 12% buy plastic packaging.

#### **2.5.8. Summary of Packaging Research Studies**

Table 2.1 summarizes several studies regarding packaging elements that were conducted for diverse food items. For the sake of accuracy towards the original papers, the terms used by the authors were for the most part preserved in this table, and although not all of them correspond to the terms utilized in the present research, ultimately, they all refer or connect to the same packaging elements and concepts previously mentioned.

Table 2.1 – Summary of Packaging Research Studies

Authors (year)	Setting	Data Collection	Product	Packaging Elements	Key Findings
Khan et al. (2018)	Pakistan	Survey – purchase intention	Food products	Color, material, font style, design, and information	All the elements have a positive influence on PI
Chamorro et al. (2021)	Portugal	Online and face-to-face surveys - preference	Wine	Bottle style, label, seal, and brand	Bottle design has a low impact on consumer preferences compared to price, origin, or category of wine. Among design elements, label has the biggest influence on preferences
Mueller and Szolnoki (2010)	Germany	Taste test and face-to-face survey – preference and purchase intention	Wine	Label style, bottle color, and bottle form	Label style was the strongest driver for informed liking which directly influenced PI
Kobayashi and Benassi (2015)	Brazil	Focus group and face-to-face survey – purchase intention	Coffee	Material, color, illustration, information, shape, brand...	Packaging elements influencing PI varied according to material (glass jar vs refill packaging)
Ribeiro et al. (2018)	Brazil	Focus groups – preference and purchase decision	“Requeijão” cheese	Shape, size, material, lid color, and labeling	Consumers’ purchase decisions and preferences towards packaging elements varied according to age group
Favier et al. (2019)	France	Online survey – perception, preference, and purchase intention	Champagne	Label design	Labels with simpler designs achieved better PI
Togawa et al. (2019)	Japan	Online and face-to-face surveys – behaviors, perception, and purchase intention	Chocolate chip cookies, chocolates, popcorn	Image, layout	Flavor heaviness was considered higher when imagery was presented at the bottom, which enhanced PI
Mai et al. (2016)	Germany	Exploratory interviews, multiple experiments/surveys - perception and purchase intention	Pizza, chocolate, cream cheese, potato chips, fruit bar...	Colors	Light-colored packages can invoke detrimental taste inferences and negatively impact PI
Vilnai-Yavetz and Koren (2013)	Israel	Face-to-face survey – perception and purchase intention	Chilled meals	Transparency	Opaque wrappers raised more PI than transparent wrappers
Ranjbarian et al. (2010)	Iran	Survey - purchase decision	Tomato sauce, biscuit, butter, juices	Color, size, images, ease of use, information, and shape	All packaging elements influence purchase decisions but the importance of each one varies according to the product
Becker et al. (2011)	Germany	Taste test and face-to-face survey – perception and preference	Yogurt	Shape, color	Angular shapes are preferred and may be associated with a more intense flavor
González-Viñas et al. (2004)	Spain	Taste test and face-to-face survey - preference	Plastic film-packaged frankfurters	Label design - Illustration, color, information	Packaging illustration was the most important factor when purchasing the item
Valajoozi and Zangi (2016)	Iran	Survey – perception and preference	Pure milk	Label design – font style, product form, background color, illustration	Font style is more important for parents and illustrations for children. Color is a highly significant factor, especially in children.
Kelly et al. (2009)	Australia	Face-to-face survey - preference	Breakfast cereal, snacks, frozen lasagna	Information	Consumers prefer nutritional information on front of packaging and constant labeling systems

The developed literature review points to a knowledge gap when it comes to studies about packaging impact on purchase intentions in the craft beer market, thereby validating the originality and value of the proposed study.

### 3. Conceptual Model and Research Hypothesis

Following the developed literature review and the findings of previous studies on packaging and its multiple elements, seven different elements were identified as being relevant to the present study: label color, label typography, label photography, label layout, label information, packaging shape/size and packaging material. Thus, the following conceptual model was developed (Figure 3.1), with the main goal of studying whether packaging and these seven packaging elements have a positive impact on consumer purchase intention of craft beer.

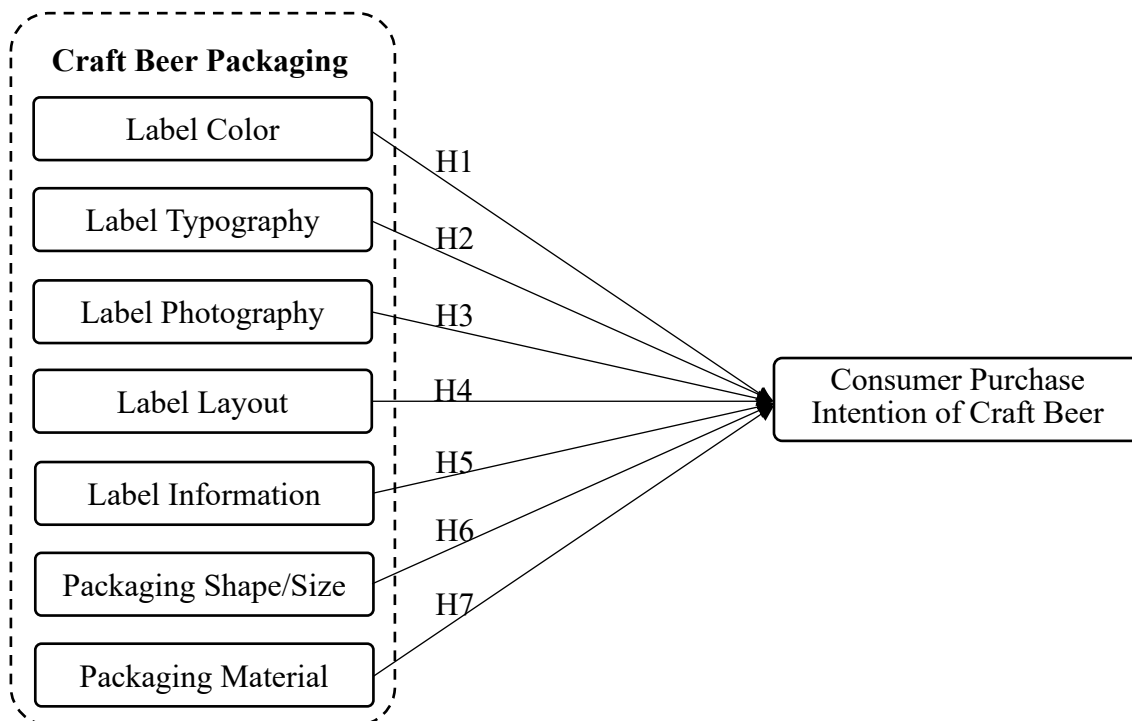


Figure 3.1 – Proposed Conceptual Model

According to the proposed conceptual model, the following seven hypotheses were developed:

H1: Label color positively impacts consumer purchase intention of craft beer.

H2: Label typography positively impacts consumer purchase intention of craft beer.

H3: Label photography positively impacts consumer purchase intention of craft beer.

H4: Label layout positively impacts consumer purchase intention of craft beer.

H5: Label information positively impacts consumer purchase intention of craft beer.

H6: Packaging shape/size positively impacts consumer purchase intention of craft beer.

H7: Packaging material positively impacts consumer purchase intention of craft beer.



## 4. Contextualization - The Beer Market in Portugal

Craft beer is considered a part of the drinks market and, specifically, the beer submarket. As a means of contextualization, and following the standards proposed by AC Nielsen, the developed market analysis is divided according to two distribution channels: INA + LIDL and INCIM (Immediate Consumption Index). INA + LIDL refers to hypermarkets, big and small supermarkets, traditional stores, and LIDL stores. INCIM refers to restaurants, snacks, cafés, fast food places, hotels, and bars.

### 4.1. Drinks Market

According to Nielsen, in 2019, the drinks market registered a value of € 1 658 million in sales in the INA + LIDL channel (Table 4.1) and a value of € 3 361 million in sales in the INCIM channel (Table 4.2). This corresponded to a growth of 6% in the INA + LIDL channel and of 14% in the INCIM channel, comparatively to the previous year.

Beer is not only the product that contributes the most to the total revenue of the drinks market, but also the most valuable FMCG category of all in Portugal. In 2019, beer accounted for 17.5% of sales (in value) of the INA + LIDL channel and for 36.8% of sales (in value) of the INCIM channel, regarding the drinks market (Figure 4.1 and Figure 4.2).

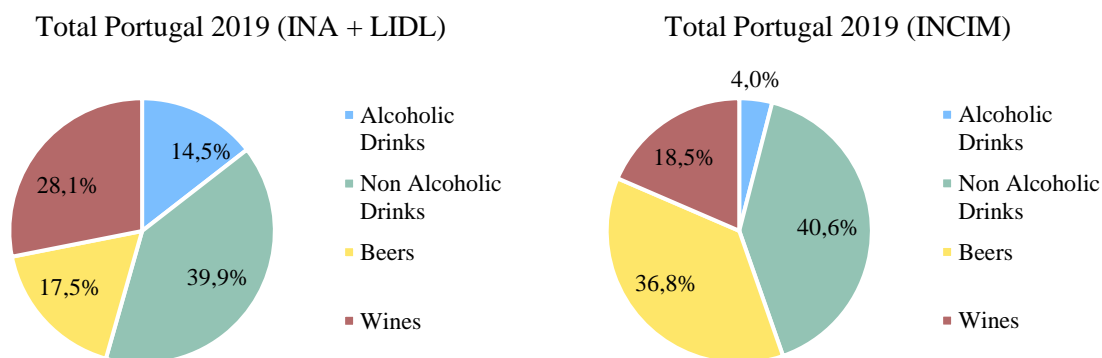


Figure 4.1 – Drink market shares (INA + LIDL channel)  
Source: Adapted from Nielsen Directory 2019

Figure 4.2 – Drink market shares (INCIM channel)  
Source: Adapted from Nielsen Directory 2019

In 2020, the drinks market registered a value of € 1 745 million in sales in the INA + LIDL channel (Table 4.1) - corresponding to a growth of 6% - and a value of € 1 862 million in sales in the INCIM channel (Table 4.2) – corresponding to a decline of 45%. These extreme fluctuations resulted from the coronavirus pandemic that affected not only Portugal but the whole world. Factors such as governmental restrictions (quarantine regulations, movement restrictions...) and safety concerns led most of the Portuguese

population to have more meals at home, increasing purchases on retail stores and decreasing the consumption on restaurants and cafés. Furthermore, for a long period of 2020, most establishments in the INCIM channel were closed as a way to combat the spread of coronavirus, which explains the accentuated decrease of sales verified in this channel.

Table 4.1 – Drinks market sales (INA + LIDL channel)  
Source: Adapted from Nielsen Directory 2019 and 2020

Total Portugal (INA + LIDL)	2019	2020
Sales in Millions of €	1 658	1 745
<b>Drinks (total variation)</b>	<b>+6%</b>	<b>+6%</b>
Alcoholic Drinks	+6%	+5%
Non-Alcoholic Drinks	+6%	+2%
Beers	+3%	+14%
Wines	+7%	+6%

Table 4.2 – Drinks market sales (INCIM channel)  
Source: Adapted from Nielsen Directory 2019 and 2020

Total Portugal (INCIM)	2019	2020
Sales in Millions of €	3 361	1 862
<b>Drinks (total variation)</b>	<b>+14%</b>	<b>-45%</b>
Alcoholic Drinks	+6%	-46%
Non-Alcoholic Drinks	+11%	-47%
Beers	+17%	-43%
Wines	+14%	-45%

## 4.2. Beer Market

According to Nielsen, in 2019, the beer market registered a value of € 290 million in sales in the INA + LIDL channel and a value of € 1 238 million in sales in the INCIM channel. This corresponded to a growth of 3% in the INA + LIDL channel and of 17% in the INCIM channel, comparatively to the previous year. As represented in Table 4.3, it is possible to conclude that the beer market has been showing positive and constant growth during past years, until 2019. In 2020, just like in other markets, beer sales in the INCIM channel decreased sharply, registering a value of € 704 million - a drop of 43% from 2019. In the INA + LIDL channel, however, a growth of 14% was registered, totaling a value of € 326 million in sale.

Table 4.3 – Beer market sales (INA + LIDL/ INCIM channels); Source: Adapted from Nielsen Directory 2019 and 2020

Years	2017	2018	2019	2020
Sales in millions (INA + LIDL)	€ 282	€ 282	€ 290	€ 326
<b>Variation (INA + LIDL)</b>	<b>+8%</b>	<b>+0.3%</b>	<b>+3%</b>	<b>+14%</b>
Sales in millions (INCIM)	€ 702	€ 1 059	€ 1 238	€ 704
<b>Variation (INCIM)</b>	<b>+9%</b>	<b>+51%</b>	<b>+17%</b>	<b>-43%</b>

Regarding the INA + LIDL channel, the three biggest players in Portugal are Super Bock, Sagres and Cergal, which together amounted to 82% of market share in value and 77% in volume, in 2019. Meanwhile, in the INCIM channel, the three biggest players are Super Bock, Sagres and Heineken, which together amounted to 92% of market share in value and 93% in volume, for the same year.

### 4.3. Submarkets of the Beer Market

The Portuguese beer market is also divided in four different submarkets: beer in kegs, beer in single-use bottles, beer in returnable bottles and beer in cans. When it comes to the INA + LIDL channel, single-use bottles seem to be the most dominant segment, having represented € 239 432 305 of sales in the year of 2019. Meanwhile, in the INCIM channel, kegs and returnable bottles are the most significant segments, with € 530 718 582 and € 519 802 080 of sales in 2019, respectively. Table 4.4 showcases the remaining sales values and variations for each segment of the beer market in 2019.

Table 4.4 – Beer submarket sales (INA + LIDL/ INCIM channels) / Source: Adapted from Nielsen Directory 2019 and 2020

Submarkets	Sales value - 2019		Variation (in value) - 2019		Sales value - 2020		Variation (in value) - 2020	
	INA + LIDL	INCIM	INA + LIDL	INCIM	INA + LIDL	INCIM	INA + LIDL	INCIM
Kegs	€ 324 386	€ 530 718 582	-30%	24%	€ 535 466	€ 298 280 598	65%	-44%
Single-use bottles	€ 239 432 305	€ 178 672 588	4%	20%	€ 274 039 887	€ 96 975 667	15%	-46%
Returnable bottles	€ 21 722 597	€ 519 802 080	-13%	10%	€ 17 290 512	€ 303 051 774	-20%	-42%
Cans	€ 28 382 186	€ 8 424 800	11%	11%	€ 34 457 582	€ 5 740 807	21%	-32%

The values presented confirm that the beer market is a healthy, inviting, and promising sector for marketers. On a 2019 article from Meios e Publicidade, Tiago Aranha, a Nielsen client development manager, mentions that the growth of the beer category is heavily intertwined with consumers' propensity for out of home consumption, associated with leisure activities. This is coherent with the data collected since the sales in the INCIM channel are considerably higher than in INA + LIDL - around 80% of the total value in sales.

On the same 2019 Meios e Publicidade article, Tiago Aranha also highlights the importance of promotional activity in the growth of the beer market, mentioning that, in 2018, 70% of beer sales in retail channels were subjected to promotions, as well as the effect of seasonality, which tends to result in higher sales during the summer - in 2018, 42% of the volume of beer sales happened during the months of June through September, for instance.

Table 4.4 also discriminates 2020 beer sales per submarket and the variations in each segment. Although, as mentioned before, consumption in the INCIM channel decreased significantly, this does not mean the attractiveness of the beer market decreased, since this behavior was caused by the coronavirus pandemic and was a common occurrence in most markets.

#### 4.4. Craft Beer Market

According to the Target Group Index (TGI) 2019 study by Marktest Group, 645 thousand people consume craft beer in Portugal, a value that represents around 8% of continental Portuguese residents over 18 years old. The consumption of craft beer seems to differ significantly according to gender, as penetration in male audiences represents around 9.5% but only 6.3% in female audiences. When it comes to age groups lower consumption levels are verified for the 18–24-year-old and 65+ year old segments, with 5.7% and 2.4% penetration, respectively. For all other age groups, consumption seems to be around 9.5%, with the maximum percentage of 12% pertaining to the 55–64-year-old segment.

Regarding region, Lisbon and Porto are the two areas with the highest levels of consumption, reaching 10.8% and 10% of consumers, respectively. Consumption also seems to vary according to social class, with higher classes (A/B) representing a consumption rate of 17%, almost twice the average value of 10.1%. When it comes to the top players in the Portuguese craft beer market, the Target Group Index (TGI) 2018 study by Marktest Group points the brands Maldita, Vadia and Sovina as the three biggest players, but Distribuição Hoje (2020) mentions Vadia, Musa and Sovina as the top three competitors.

On a 2019 article from Dinheiro Vivo it is stated that, according to Nielsen, between April 2017 and April 2019, only in retail channels, sales in the Portuguese craft beer market increased 88% in value and 112% in volume - a great indicator of significant growth since, as previously mentioned, consumption of beers in the Portuguese market is even higher in the INCIM channel. In the same article, it is mentioned that, according to The Brewers of Europe, a non-profit association of European brewers, in 2017 there existed 120 working brewing companies in Portugal, of which 115 were microbrewers. This is a significant number, especially considering that the Portuguese beer market is so heavily dominated by Super Bock and Sagres and also that, in 2011, Portugal only had one single microbrewer - Sovina.

Although not yet a mass market category, the growth of the craft beer segment in Portugal has contributed to a bigger diversification of available options, which is starting to play a crucial part in consumers' decisions and habits, so much so that the two biggest national brewers, Central das Cervejas (Sagres, Heineken) and Super Bock Group, have already started to invest in the market. Rui Lopes Ferreira, Super Bock Group's CEO, stated that "The craft beer movement has contributed to an increase of the dynamics of the beer market and to broaden the available offers to consumers. It has also brought sophistication and diversity, in an immense contribute to the valorization of the category."



## **5. Methodology**

To find answers to the previously defined questions it is important to understand which methodology is the most relevant and adequate in this case. With this in mind, the present study follows a cross-sectional and mixed (sequential exploratory) design, divided into two main stages: a qualitative one and a quantitative one. For the population of the study, Portuguese citizens of different age groups (at least older than 18 years old – the legal drinking age in Portugal), genders and consumption frequency levels were included.

### **5.1. Qualitative Methodology**

The qualitative phase of the present study is divided into two subsections: an interview and two focus groups. Firstly, an initial exploratory and semi-structured interview was conducted. The main objectives of this research method are the following:

- Understanding, from the perspective of brands to which extent packaging can impact consumer purchase intentions;
- Understanding the importance of packaging and packaging elements as variables in product development for craft beer brands;
- Obtaining other relevant insights into the study's topic, as well as possible ideas for discussion in the next phase of the study – the focus groups.

This method was chosen to establish a strong initial insight into the craft beer market, as well as into packaging as a purchase criterion for craft beers – for this purpose, a knowledgeable and experienced craft beer brand owner was selected. The selection of the interviewee was based on personal and direct connections of the study's advisor, thus, it being classified as a convenience sample. The interview was conducted in-person at the selected brand's brewery, recorded and subsequently transcribed, with an interview plan being developed ahead of the time – Appendix A.

After obtaining the desired information from this interview, two focus groups of five people each were conducted. The participants chosen for the focus groups were selected based on personal connections of the study's investigator as a convenience sample, and a diverse set of participants of different age groups, genders, and consumption frequency levels was chosen with the intent of obtaining different insights and perspectives. The first group's participants were aged 20-25 years old, and the second group's participants were aged 40-60 years old.

For this phase, multiple craft beers with different packaging elements and design characteristics were chosen from the current offer in major Portuguese retailers and presented to the participants as the discussion's central topic. The chosen products were selected based on diversity of packaging color, shape/size, information, photography, typography, layout, and material, to provide varied elements for discussion. Brand notoriety and brand suggestions by the craft beer brand owner previously interviewed were also considered. The main objectives of this method are the following:

- To establish a solid construct of craft beer packaging's importance as a purchase driver for final consumers, compared to other criteria such as price, brand or beer style;
- Identifying which are the most important elements of craft beer packaging for consumers (e.g., bottle shape, label color, label typography, label photography, label information...);
- Understanding, for each craft beer packaging element, which are the most preferred by the participants among the presented packages (e.g., which bottle shapes or label colors are most liked);
- To gather other complementary insights on consumers' general perceptions about craft beer packaging.

The focus groups were conducted with a duration of 60 to 90 minutes each and in a physical setting by gathering all partakers around a square table, respecting all COVID-19-related regulations in place at the time of the study. A focus group script was developed ahead of the time to generally guide the discussion, with different questions being raised occasionally according to the groups' dynamic and context. The focus groups' audios were recorded and subsequently transcribed and a constant comparison technique was used to accurately analyze the obtained data – Appendix B. The focus group method was chosen due to the lack of previous empirical information on this topic, which provided the opportunity and the need for qualitative based research that, not only allowed us to obtain rich and detailed information, but also to confirm the most important packaging elements to be studied as hypothesis in the next stage of the study.

## **5.2. Quantitative Methodology**

After confirming the most relevant packaging elements according to the focus groups' results, the study enters its second stage. For the quantitative research, a descriptive study was developed in the form of an online questionnaire directed towards final consumers. This method was identified as the most efficient for collecting data, since it allows us to obtain a considerable number of answers in a short span of time and reach a wide range of target audiences. Furthermore, a significant number of the previously referenced studies concerning packaging apply similar methodologies to understand consumer's reactions, behaviors,

and attitudes towards products' packaging (e.g.: Khan et al., 2018; Ranjbarian et al., 2010; Silayoi and Speece, 2004; ...), proving this to be an appropriate technique to better understand the motivations and factors that trigger consumer purchase intentions.

The first major objective of the final phase of the study is to empirically test the existence of a relationship between packaging/packaging elements and consumer purchase intentions in the craft beer market. Secondly, we also aim to understand consumer preferences regarding each of the packaging elements identified as important in the focus group sessions - for this effect, images of real brands' packages with different characteristics were used to develop some comparisons (e.g.: do respondents prefer brighter colors on a craft beer label or darker colors?).

The survey was conducted online over the course of 2 weeks, using a questionnaire created with Google Forms and its results were analyzed and represented with the help of the statistical software IBM SPSS Statistics 27. The sampling technique used was a nonprobability sampling technique. A snowball sampling technique was also applied, since the participants of the study were asked to share the questionnaire. The questionnaire created was shared on social media channels such as Facebook, Instagram, LinkedIn, and WhatsApp, as well as in specific groups dedicated to craft beer lovers and craft beer consumption. Moreover, answers to this questionnaire were also collected by the study's investigator in a physical setting, during "OktoberFesta 2021", a craft beer event promoted by Lisbon Beer District, a location in Lisbon where multiple craft beer breweries are based at, such as Musa and Dois Corvos.

The questionnaire created assured that all respondents were 18 or older using a dichotomous selection question ("Are you 18 years old or older?") and other demographic questions were also included at the end of the questionnaire. A pre-testing of the research questionnaire was done on 10 respondents who resembled the characteristics of the intended study target, to identify and adjust possible existing flaws and avoid any ambiguity present in the questions, guaranteeing the collection of reliable and valid data.



## **6. Results and Discussion**

In order to analyze the results of the employed research methods, the following section is divided into three topics. On the first topic we aim to summarize the findings of the conducted semi-structured interview with the marketing manager of the craft beer brand “Oitava Colina”. On the second topic we aim to analyze the main conclusions obtained during the conducted focus groups and to compare the insights discussed in both panels. Lastly, on the third topic, we aim to thoroughly analyze the online questionnaire applied through sample characterization, descriptive analysis, and hypothesis testing (with a multiple linear regression).

### **6.1. Semi-structured Interview Analysis**

According to Mr. Pedro Romão (Appendix A), marketing manager and brand owner of the brand “Oitava Colina”, the Portuguese craft beer market is a highly competitive market, mostly composed by start-up projects with few collaborators and small brands that, not only directly compete with each other, but also encounter very heavy indirect competition in the industrial beer and wine markets. Some of the most prevalent players in this market are currently: “Oitava Colina”, “Musa”, “Dois Corvos”, “Letra”, “Sovina” and “Maldita”. Since most craft beer breweries in Portugal are relatively small in scale, usually brands’ communication strategies tend to follow a more digital-focused approach through online content creation and social media presences, due to the lower communication budgets available. When it comes to distribution channels, the Horeca channel has the greatest expression and the highest importance in this market, with retail channels also representing high volumes of sales but lower margins for the breweries. The e-commerce channel, while relatively new to the segment, has also emerged and gained some traction due to the restrictions of the COVID-19 pandemic.

Mr. Pedro Romão argues that the importance of packaging in the craft beer market varies between different types of consumers. For loyal consumers or regular consumers (who tend to possess higher levels of market knowledge), packaging might not be as important as other factors such as preferences for specific beer styles, the desire of trying new beer styles or brands’ positioning and communication. On the other hand, when it comes to new consumers or non-regular consumers (who tend to possess lower levels of market knowledge), packaging is an extremely important factor as it serves multiple purposes: it allows customers to identify and distinguish a brand from its competitors, visually captures the consumer’s attention and ultimately helps and influences consumers to form purchase intentions. Furthermore, craft beer can be considered a relatively complex segment for new or non-regular consumers due to the existence of many beer styles, brands and purchasing criteria, so, frequently, packaging design ends up working as a facilitator and being the most decisive factor in the more instinct based purchase decisions of new consumers

- “I am completely involved with this market, but I believe that for someone who is just starting, it is a bit of a complicated world because there are many styles, many brands, and a lot of other factors, so what people see visually and graphically is often what helps them to distinguish and choose.” (Pedro Romão). Lastly, restaurant owners serve as intermediate customers of craft beer brands and, although not final consumers themselves, their purchase intentions are greatly influenced by attractive packaging or labels, due to the belief that end consumers react positively to quality packaging over other factors such as brands, resulting in more sales.

Packaging is also one of the most important steps in product development for craft beer brands. Besides serving the purpose of identifying the brand, attracting shoppers, and influencing consumers’ purchase intentions, packaging also has the function of identifying and differentiating multiple beers from each other and describing the flavor and ingredients of the beer itself. Mr. Pedro Romão mentions that, for “Oitava Colina”, this identification and differentiation process happens through storytelling by creating, naming, and associating different characters to different beers and matching their “personalities” to the identification and characteristics of the beer itself. This technique is applied to both internally developed and outsourced packaging and can be clearly observed in the brand’s most successful package, as explained by Mr. Pedro Romão: ““Urraca”, for instance, is the fiery woman, an IPA beer that won’t leave anyone indifferent and that generates a lot of love but also a lot of hate, since it’s not a neutral beer, it’s a beer with a lot of character.”. Similar techniques help strengthen brands’ positioning and communication strategies in the Portuguese craft beer market and seem to be common in the segment for other brands such as “Musa” and “Letra”.

Regarding the most important factors to be taken into consideration by craft beer brands when developing their packaging, Mr. Pedro Romão mentions that, in a traditional retail setting, packaging readability as a whole is pivotal and highlights specific visual packaging elements such as logotypes, due to their importance as brand identifiers, as well as packaging photography and packaging colors due to their capacity to capture consumers’ attention, strengthen a brand’s visual identity and create a distinction between products from the same range. Although not considered the most important, Mr. Pedro Romão also identifies informational packaging elements such as product description and beer style as factors to be considered in packaging development.

It was also possible to clearly identify two main styles of packaging in the Portuguese craft beer market, into which most brands seem to fall into (Pedro Romão). The first type is a modern style, characterized by multiple bright colors, the presence of illustrations, and more urban inspired designs, seen on brands such as “Oitava Colina”, “Musa” and “Dois Corvos”. The second type is a classic style, with cleaner designs, tamer colors, and a more subdued appearance, seen on brands such as “Sovina”, “Maldita” and “Letra”. Mr. Pedro Romão points to a correlation between the two main styles of packaging and the age of the brands’

consumers, mentioning that classic packaging styles usually attract older people and that modern packaging styles usually attract younger people due to them gravitating more easily towards characteristics such as colorful labels and graphics. Brands should therefore carefully consider their target when developing packaging to correctly attract the consumer type they are focusing on, as explained by Mr. Pedro Romão: “The packaging and the design will be decisive, but it also depends on the consumer... If you have a more closed target, you can communicate directly through the packaging and speak to your consumers through the packaging”.

## 6.2. Focus Groups Analysis

For this stage of the study two focus group sessions were conducted, with 5 participants each, divided by age groups. Group 1 was composed of 20–25-year-olds and group 2 was composed of 40-60-year-olds. The complete demographic characterization of the two samples can be found in Table 6.1.

Table 6.1 – Demographic characterization of focus groups participants

Characteristics	Group 1	Group 2
Number of Participants	5	5
Age (years old)	20-25	40-60
Gender	Female (2) Male (3)	Female (1) Male (4)
Education Level	High school (0) College degree (5)	High school (4) College degree (1)
Professional Field	Food Engineer (1) Computer Engineer (2) User Experience Designer (1) Marketing Manager (1)	Electrician (2) Warehouse Manager (1) International Freight Forwarder (1) Anthropologist (1)
Consumer Type	Non-regular consumer (2) Regular consumer (2) Regular consumer and producer (1)	Non-regular consumer (3) Regular consumer (2)

Based on the findings of the conducted semi-structured interview and on the diversity of packaging elements, seven craft beers were selected and used in the focus groups. As in the interview stage of the study two main styles of packaging with common characteristics were clearly identified, three beers that displayed characteristics typically associated with either the “modern” style or “classic” style were chosen, as well as one beer with blended characteristics of both styles, portraying a “mixed” style. The final packages chosen are described in Table 6.2 and represented in Appendix C.

Table 6.2 – Description of the craft beer packages presented in the focus group sessions

Package style	Packages - brand	Description
Modern	A - Musa	Red Session IPA beer in a medium sized and standard shaped glass bottle, with a label in pink, blue and white colors, sans serif typography and the illustration of a beer barrel-shaped zeppelin. Main information: brand, beer name with a pun regarding beer and music, beer style, beer description in a humorous and informal tone of voice, ingredient list, 33 cl, 5,0% vol.
	B - Oitava Colina	IPA beer in a medium sized and standard shaped glass bottle, with a label in green and white colors, sans serif and serif typography and the illustration of a female character. Main information: brand, beer name associated with illustrated female character, beer style, beer description associated with the beer's illustrated character and name, ingredient list, 33 cl, 6% vol.
	C - Dois Corvos	Session IPA beer in a tall sized and standard shaped glass bottle, with a wavy label in yellow, brown, and white colors, sans serif typography and the illustration of a bear with sunglasses in the back of the label. Main information: brand, beer name, beer style, beer description, ingredient list, 33 cl, 4,5% vol.
Classic	D - Maldita	Bohemian Pilsner beer in a tall sized and slender shaped glass bottle, with a label in black, gold, and white colors, sans serif and serif typography. Main information: brand, beer style, beer description, beer pairings, ingredient list, 33 cl, 5,5% vol.
	E - Letra	Bohemian Pilsner beer in a tall sized and standard shaped glass bottle, with a mostly transparent label with white and orange colors and serif typography. Main information: brand, beer name, beer style, beer description, beer pairings, ingredient list, 33 cl, 5% vol.
	F - Sovina	Dry Stout beer in a short sized and thick shaped glass bottle, with a label in black and white colors, sans serif, serif, and script typography. Main information: brand, beer style, beer description with details regarding the brand's story, ingredient list, 33 cl, 5,2% vol.
Mixed	G - Lagunitas	IPA beer in a standard aluminum can, with a metallic surface and label in red, gold, black, and white colors, sans serif and serif typography and the illustration of a dog. Main information: brand, beer style, beer description in a humorous tone of voice, ingredient list, 35,5 cl, 6,2% vol.

When discussing different craft beer purchase criteria, the factors mentioned were packaging, price, beer style, brand, promotions, quality, recommendations (or word-of-mouth), and alcohol percentage. Although price was commonly cited as one of the most important factors for group 2 (ages 40-60), group 1 (ages 20-25) almost unanimously agreed that price was not a defining factor in this market, as craft beer was considered a premium product for which higher prices were expected, with the exception of promotions being mentioned as an opportunity to try different beers that would otherwise be expensive. Beer style was also considered an important factor, especially by regular craft beer consumers with high levels of market knowledge, for who beer styles are used to identify beers pertaining to styles they already enjoy and beers of other styles they have not yet tried but would like to. Contrarily, for most non-regular consumers, beer style was not identified as an important factor in building purchase intentions, as they seem to lack the knowledge and experience needed to understand the characteristics associated with each beer style and to distinguish them from each other. Brand recognition was also briefly mentioned as an impactful factor by some of the participants of group 1, as familiarity seems to be relevant towards purchase intentions at times. Lastly, overall, packaging was the variable most commonly identified as being important to build craft beer purchase intentions, with this being especially evident for members of group 1. Non-regular craft beer consumers were most likely to identify packaging as being the main factor in building purchase intentions and to primarily base their decisions on it, while regular craft beer consumers were most likely to mention both packaging and beer style as relevant and complementary factors, and to make decisions according to both. This was especially clear when, occasionally, some regular craft beer consumers seemed to have



difficulties detaching beer style as a purchase criterion from their decisions when asked to choose which beers were their favorites solely based on packaging.

Regarding the importance of different packaging elements, packaging color was identified as the most important element by all group 1 participants and some of group 2, being considered the most important element overall. The vast majority of group 1 also referred to various kinds of packaging information as being important to forming their purchase intentions, yet this was not the case for group 2. Moreover, packaging shape and beer names were also considered important factors by elements of both groups and packaging photograph and packaging personality (storytelling, tones of voice...) were equally considered moderately important by group 1. Regarding the least important packaging elements, packaging layout and typography were indicated by people in both groups, with some of the elements in group 2 also considering packaging information the least important element. Some group 1 elements identified two phases in packaging evaluation and argued that all packaging elements were important, simply assuming different levels of importance in different phases - visual elements being more important in an initial stage, as a means of drawing consumers' attention (Underwood, 2003) and informational elements being more important in a second stage, guiding consumers in judging products' quality and helping them in decision making (Ranjbarian et al., 2010).

Table 6.3 – Most frequent responses to different packaging elements in the focus group sessions

Elements	Group 1 - Response to packages							Group 2 - Response to packages						
	A	B	C	D	E	F	G	A	B	C	D	E	F	G
Label colors	++	+	++	--				+-		+-	++		+	
Label typography	++	+												
Label photography		++	+-						+					
Label layout				--										
Label information			--			+	-				--			
Packaging shape and size						+-					++		+-	
Packaging material							--							--
Beer name	+								++					
Personality (storytelling/tones of voice)	+													
Label shape			++											
Beer pairing information					+									

++, very well suited  
 +, suitable  
 + -, conflicting  
 -, not suitable  
 --, very unsuitable

To understand and summarize participants' preferences regarding different packaging elements, the most frequent elements and responses mentioned in both groups were compiled in Table 6.3. Elements were characterized as “very well suited” when mentioned by 3 or more participants in a positive light, “suitable” when mentioned by 2 participants in a positive light, “conflicting” when different participants in a group expressed mixed opinions, “not suitable” when mentioned by 2 participants in a negative light and “very unsuitable” when mentioned by 3 or more participants in a negative light.

Regarding label colors, group 1 members preferred labels with brighter colors such as pink, blue, green, and yellow, often associated with the words “fun”, “young” and “approachable” and overwhelmingly disliked labels with black or gold colors, associating them more with “serious” and “old fashioned” products, in statements such as: “I wouldn't buy Maldita, it doesn't have a youthful image... I don't want something with a serious and boring look, I want something that is more fun and colorful.” (Sofia Simão, group 1, Appendix B). Contrarily, group 2 members showed a clear preference for label colors such as black and gold, associating them with the words “premium” and “sophistication”, while expressing mixed opinions on brighter label colors, occasionally associating them with lower quality: “I associate the other bottles with those colorful cupcakes... which I don't like, and the ones I chose with sophistication... They have to have those bright colors to attract attention, so in my head what's inside is probably not good” (Bruno Duarte, group 2, Appendix B).

Group 1 members attributed high importance to label information, reacting positively to information on products, brands, and ingredients, often using these details as guidelines for product evaluation. Information on beer pairings, in particular, was considered by non-regular consumers as a helpful characteristic to make their choices. The importance placed on information by group 1 was specially clear when, after initially liking package B due to its colors and label shape, multiple members argued that the information on it was insufficient and difficult to read after analyzing the package: “...after picking up Dois Corvos I was a little disappointed because the information itself is not clear and there was not much information to help me in making my choice” (Sofia Simão, group 1, Appendix B); “Dois Corvos... has beautiful colors, but all the information has small characters that are difficult to understand” (Beatriz Cunha, group 1, Appendix B). The label's layout also contributed to the participants' opinion, who argued that this layout was not optimal due to the label's illustration taking up too much space, resulting in the package's information being flattened and wrongly displayed. Meanwhile, group 2 demonstrated less concern about information on labels, identifying package D as having very unsuitable information, while still ultimately selecting it as the most popular package: “regarding Maldita, although the information is not visible, I would choose it... I don't think I would assign much importance to the beer's characteristics.” (Fernanda Afonso, group 2, Appendix B).

When it comes to packaging shape, group 2 strongly favored slender bottle shapes, classifying the shape of package D as “sophisticated”, “simple” and “elegant”, positively comparing it to a wine bottle. Group 1 also noticed similarities between, not only package D's shape but also label colors, and wine bottles, although in this case the comparison was seen as negative. Package F's shape produced mixed feelings in both groups with some participants mentioning the shape being “different” from usual craft beer packages and comparing it to medicine or cough syrup bottles. For some, this seemed to draw their attention, thus being seen as a positive quality, while others felt the shape was too short, wide and difficult to hold: “I

wouldn't choose Sovina... I don't like the shape of its bottle, it's short and small, it looks like a cough syrup bottle and it's not even easy to hold.” (José Marques, group 2, Appendix B).

Regarding packaging material, glass bottles were unanimously preferred by groups 1 and 2. Both groups expressed thinking of craft beer as a premium, expensive product and thinking of aluminum cans as a cheap, low quality packaging option, pointing to a dichotomy between product and packaging that hurt product E's image: “Craft beer is supposed to be a premium product and the can doesn't convey that image.” (Diogo Morão, group 1, Appendix B); “The can, due to cultural reasons in Portugal... I associate with a slightly cheaper product and, therefore, if I am buying an expensive product and then opting for a package considered to be cheap, it feels like a contradiction.” (Beatriz Cunha, group 1, Appendix B). Other concerns regarding aluminum cans were raised, such as an association with lower hygiene levels, possible alterations in beers' flavor due to contact with the aluminum and the experience of product consumption itself being worst. Some group 2 members mentioned the possibility of buying canned craft beer, instead of bottled craft beer, solely in situations where they had to travel long distances, due to cans being easier to transport without breaking.








Furthermore, multiple mentions to the use of storytelling, informal tones of voice and humor were made by participants of group 1, who appreciated brands that were capable of conveying their personality through their packaging when describing their product, showcasing a “younger” attitude, creating a deeper connection with consumers and raising their interest towards the product: “Oitava Colina... kept their storytelling throughout the whole thing: the beer has the name of a character, the picture is of the character itself and the description of the beer is also about the character, and I find that very interesting” (Ricardo Dias, group 1, Appendix B); “Musa wins when it comes to... the way things are written on the label. They address the consumer as "you"... so the type of language used is very personal and youthful which is appealing” (Beatriz Cunha, group 1, Appendix B). Beer names were also occasionally mentioned as a compelling and persuasive characteristic by both groups, either as an extension of the brand's personality or on its own as a separate element.

Another common theme discussed by both groups was the possibility of different package choices being made according to different consumption situations. Statements such as the following illustrate this: “...if I went to a restaurant, ordered a craft beer, and they brought me Maldita, it would make more sense” (Diogo Morão, group 1, Appendix B); “I would also choose Maldita because I can imagine myself buying it along with some seafood to cook at home. On the other hand, if I wanted to drink a craft beer in a more relaxed way, I would choose Urraca” (Rui Terras, group 2, Appendix B); “If.. I was going to have a party where the age group is over 40, I would choose a beer with a more sophisticated look... If I was buying beers for a party for young people in their 20s, I would choose the most appealing ones in terms of color” (Fernanda Afonso, group 2, Appendix B). A clear association was drawn by participants of both groups between

packages A, B and C and informal situations, fun gatherings, and younger social groups, while the opposite was identified for packages D, E and F, which were more commonly associated with formal situations, classy events, and older social groups.

Table 6.4 represents the participants’ choices, when asked to select one or two packages they would buy and one or two packages they would not buy. Overall, it was possible to identify a clear distinction between the purchase intentions of group 1 and 2. Group 1 generally preferred packages with brighter colors, illustrations, and that showcased brands’ personalities, commonly associated with the words “fun”, “colorful” “approachable” and “young”. On the other hand, group 2 generally preferred packages with darker and sober colors, no illustrations, and simpler designs, commonly associated with the words “handcrafted”, “artisanal”, “simple” and “sophisticated”. Thus, the existence of two different packaging styles, “modern” and “classic”, identified in the interview phase of the study was confirmed. Moreover, it was possible to conclude that both groups considered packaging to be an important variable for building purchase intentions in the craft beer market, making most of their choices either exclusively or partially due to packaging, and arguing that since craft beer is a premium item, quality must be present not only in the flavor of the product but also in its label and packaging.

Table 6.4 – Final packaging choices of groups 1 and 2

Package style		Modern			Classic			Mixed
		A	B	C	D	E	F	G
Packages presented in Focus Groups								
Would buy	Group 1	XXXX	XX	X		X	XX	
	Group 2	XX	XX		XXX	X	XX	
Would not buy	Group 1				XXXXX			XXXXX
	Group 2	X		XX			X	XXXX

### 6.3. Questionnaire Analysis

#### 6.3.1. Descriptive Analysis

### 6.3.1.1. Sample Characterization

Through the developed questionnaire a heterogeneous sample was obtained. A total of 200 valid answers were collected, with 0 people under eighteen years old answering the questionnaire (0 non-valid answers). Of the 200 respondents, 108 were females (54%) and 92 were males (46%). Regarding age, 35% of respondents were between 18 and 24 years old, 23.5% were between 25 and 34 years old, 16% were between 35 and 44 years old, 16% were between 45 and 54 years old and 9.5% were between 55 and 64 years old. When it comes to education level, most respondents had a higher level of education, with 85 (42.5%) having a bachelor's degree, 74 (37%) having a master's degree and only 34 (17%) having a high school degree. Concerning professional situation, most participants were employees (68.5%) with 18% of people simultaneously being employees and students and 9% exclusively being students. Regarding household size, 28.5% belonged to a household of 3 people, 26% to a household of 4 people, 21% to a household of 2 people and 18% to a household of just 1 person. Answers concerning Household's Net Monthly Income were just as varied, with 26.5% earning over 3000€, 23% earning between 1800€ and 2399€, 18% earning between 1200€ and 1799€, 16.5% earning between 600€ and 1199€ and 13.5% earning between 2400€ and 2999€. The full sample's characterization is presented on Table 6.5.

Table 6.5 – Demographic characterization of questionnaire respondents

Demographic variables	Categories	Frequency (n = 200)	Percentage
<i>Gender</i>	Female	108	54%
	Male	92	46%
<i>Age</i>	18-24	70	35%
	25-34	47	23.5%
	35-44	32	16%
	45-54	32	16%
	55-64	19	9.5%
<i>Education Level</i>	Elementary Education	1	0.5%
	High School Diploma	34	17%
	Bachelor's Degree	85	42.5%
	Master's Degree	74	37%
	Doctorate Degree	6	3%
<i>Professional Situation</i>	Student	18	9%
	Employee	137	68.5%
	Student and Employee	36	18%
	Unemployed	7	3.5%
	Retired	1	0.5%
	Business Owner	1	0.5%
<i>Household Size</i>	1 person	36	18%
	2 people	42	21%
	3 people	57	28.5%
	4 people	52	26%
	5 people	9	4.5%
	Over 5 people	4	2%
<i>Household's Net Monthly Income</i>	0-599€	5	2.5%
	600-1199€	33	16.5%
	1200-1799€	36	18%
	1800-2399€	46	23%
	2400-2999€	27	13.5%
	>3000€	53	26.5%

### 6.3.1.2. Consumer Behavior and Consumption Patterns

Regarding the sample's consumption behaviors and patterns, information on a variety of different indicators was collected. Firstly, when asked about the frequency of their craft beer consumption, almost half of respondents mentioned consuming craft beer less than once a month (49.5% or 99 people). 21% of respondents (42) stated they consume craft beer between 1 and 5 times per month and 11% (22) consume craft beer over 5 times a month. Meanwhile, 18.5% of respondents (37) mentioned having yet to try craft beer. This data, presented in Figure 6.1, supports the idea that craft beer is still an emerging segment in Portugal since regular consumers of craft beer are a minority. This can be attributed to multiple factors such as craft beer still being frequently outshined by the Portuguese industrial beer segment, it being considered a premium and expensive product and the lower net income levels of Portuguese citizens. Moreover, as previously mentioned, one of the lowest craft beer consumption levels in Portugal can be assigned to the 18–24-year-old segment which represents 35% of the questionnaire's respondents – this could also have had some influence on the overall results. With that said, a conscious decision was made to include current non-consumers' answers regarding packaging importance and preferences as valid data to be analyzed in this chapter, as the present growth in the Portuguese craft beer market suggests the possibility these respondents could become craft beer consumers in the future, therefore existing an interest in understanding their opinion as well as those of current consumers.

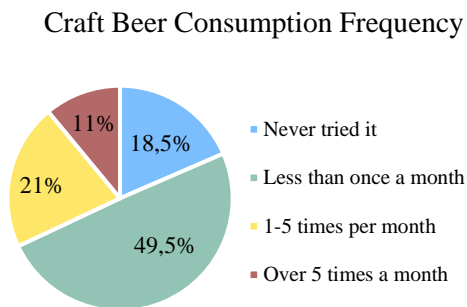


Figure 6.1 – Craft beer consumption frequency of questionnaire respondents

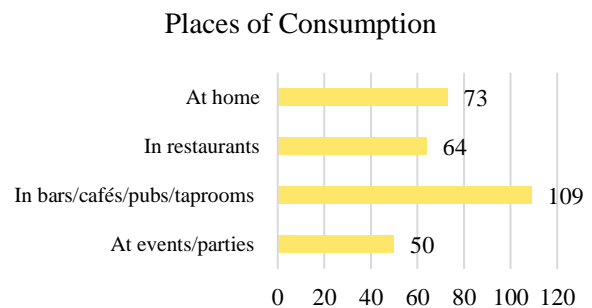


Figure 6.2 – Places/occasions of consumption of craft beer of questionnaire respondents

As shown in Figure 6.2, regarding the places or occasions where people most frequently consume this product at, 109 consumers mentioned drinking craft beer in bars/cafés/pubs/taprooms, making this the most popular environment for drinking craft beer. Nevertheless, at home consumption and consumption in restaurants still proved to be quite popular alternatives, with respectively 73 and 64 consumers saying they often drink craft beer at these locations. Events and parties seemed to obtain the lowest results out of the presented options, with 50 consumers stating to drink craft beer in these occasions.

Additionally, Figure 6.3 represents which people craft beer consumers usually drink craft beer with. As shown below, friends clearly seemed to be the most common answer, with 141 out of the 163 respondents that stated being current craft beer consumers declaring to drink craft beer with their friends - an exceptionally high value, representing 86.5% of the sample's consumers. Next, 69 consumers stated often drinking craft with their family and, finally, 35 of them mentioned usually drinking craft beer by themselves.

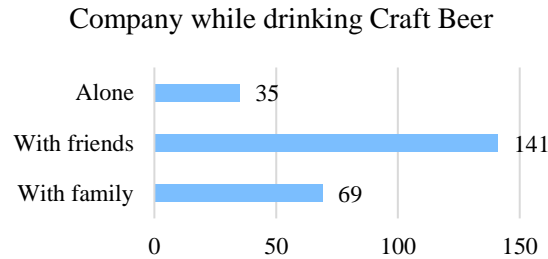


Figure 6.3 – Company while drinking craft beer of questionnaire respondents

### 6.3.1.3. Importance of Craft Beer Packaging as a Purchase Criterion

To better understand the importance attributed by respondents to packaging as a purchase criterion in the craft beer market, multiple questions were asked. Firstly, as displayed in Figure 6.4, we observed that 71% of respondents considered packaging a more important criterion during first-time purchases of craft beers, confirming that when consumers are exposed to new products they have yet to try and lack information on, packaging serves as a mean of differentiating and choosing the most appealing option according to the existing visual and informational cues. Accordingly, Figure 6.5 shows that almost half of the respondents (49%) admitted having bought a craft beer exclusively or mostly due to its packaging, in the past. This information supports the hypothesis that packaging has a strong direct impact on purchase decisions, an idea corroborated by Silayoi and Speece (2004) who state that attractive packaging is more likely to be purchased since it “generates consumer attention by breaking through the competitive clutter”.

Is packaging more important on a first-time purchase?

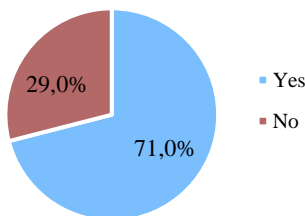


Figure 6.4 – Packaging importance (first-time purchases)

Have you ever bought a craft beer exclusively/mostly because of its packaging?

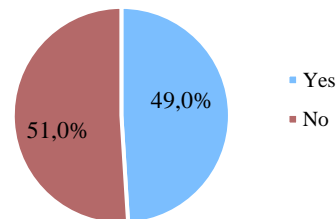


Figure 6.5 – Packaging as the defining factor in purchases

Furthermore, as shown in Figure 6.6, when asked if they would be willing to pay a higher price for craft beer with more appealing packaging, 56% of respondents stated they would pay more for craft beers with packaging of their liking, with 44% of people contrarily mentioning they would not pay more for more appealing packaging. This is a very positive result and an indicator that brands, marketers and packaging designers should invest resources into creating appealing and informative packages as, for many, it is considered an important part of the product that can increase its value and even raise its price, if adequately developed.

Would you be willing to spend more money to buy a craft beer with packaging that was to your liking?

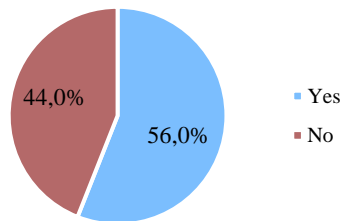


Figure 6.6 – Willingness to pay more for better packaging

Participants were also asked to rate the importance attributed to multiple craft beer purchase criteria on a scale of 1 to 5 - 1 meaning “Not Important at All”; 2 meaning “Not Very Important”; 3 meaning “Important”; 4 meaning “Very Important” and 5 meaning “Extremely Important”. The purchase criteria studied were: “Packaging”; “Brand”; “Price”; “Beer style”; “Flavor/Quality”; “Recommendations”; “Alcohol percentage”. Figure 6.7 represents the final distribution of the results obtained.

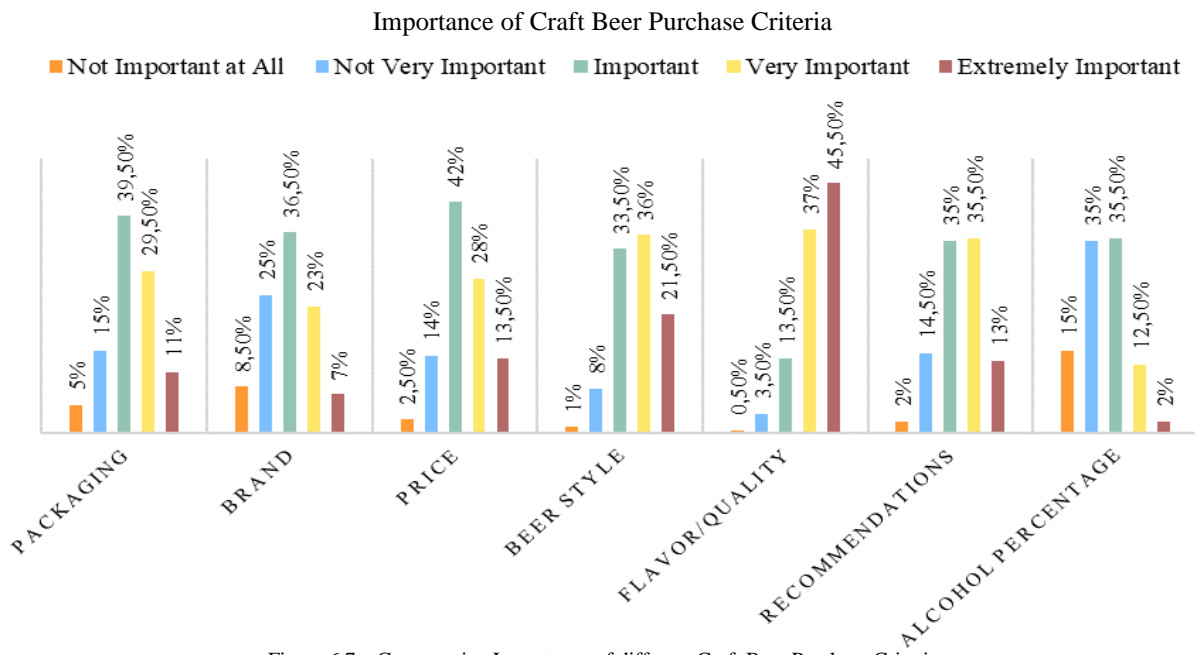


Figure 6.7 – Comparative Importance of different Craft Beer Purchase Criteria



As a means of comparing the importance of the different purchase criteria studied, a mean of all given scores was calculated for each criterion, as shown in Table 6.6. We concluded that Flavor/Quality was considered the most important criterion, with a mean score of 4.23, an understandable result, due to craft beer being a product in the food market. Secondly, Beer style was considered the second most important criterion, with a mean score of 3.69, followed by Recommendations, which were considered the third most important factor, with a mean score of 3.43. Meanwhile, Price was classified as the fourth most important criterion, with a mean score of 3.36 and packaging was classified as the fifth most important factor, with a mean score of 3.27. Under the 3-score mark was the criterion Brand, with a mean score of 2.95 and, finally, Alcohol Percentage as the least important factor with a mean score of 2.52. According to the information described we can conclude that, although not considered one of the most important factors, packaging was still classified by the respondents as being an important element, and more relevant than alcohol percentage and, more surprisingly, brands. This could be an interesting indicator for potential new entrants in the craft beer market, who may benefit from the fact that even already established brands may not gain a significant advantage from the power of brand awareness. On the other hand, it seems that, for the majority of the Portuguese market, price is still a major point to consider, even in a premium market such as craft beer, which could be seen as a negative factor. It was also possible to confirm that most respondents highly value beer style as a purchase criterion, considering their favorite styles when choosing to buy craft beer, as well as recommendations from other people, which serve as a gateway towards trying new craft beers.

Table 6.6 – Mean and Standard Deviation of Importance of different Craft Beer Purchase Criteria; Source: IBM SPSS Statistics 27

<b>Report</b>							
	Importance of Factors [Packaging]	Importance of Factors [Brand]	Importance of Factors [Price]	Importance of Factors [Beer Style]	Importance of Factors [Flavor/Quality ]	Importance of Factors [Recommend ations]	Importance of Factors [Alcohol Percentage]
Mean	3,27	2,95	3,36	3,69	4,23	3,43	2,52
N	200	200	200	200	200	200	200
Std. Deviation	1,010	1,050	,967	,932	,851	,959	,961

In order to determine which packaging elements were considered the most important on a craft beer purchase situation, participants were, once again, asked to rate the importance of these elements on a scale of 1 to 5. The packaging elements studied were: “Label Color”; “Label Typography”; “Label Photography”; “Label Layout”; “Label Information”; “Packaging Shape/Size”; “Packaging Material”. Figure 6.8 displays the final distribution of the results obtained.

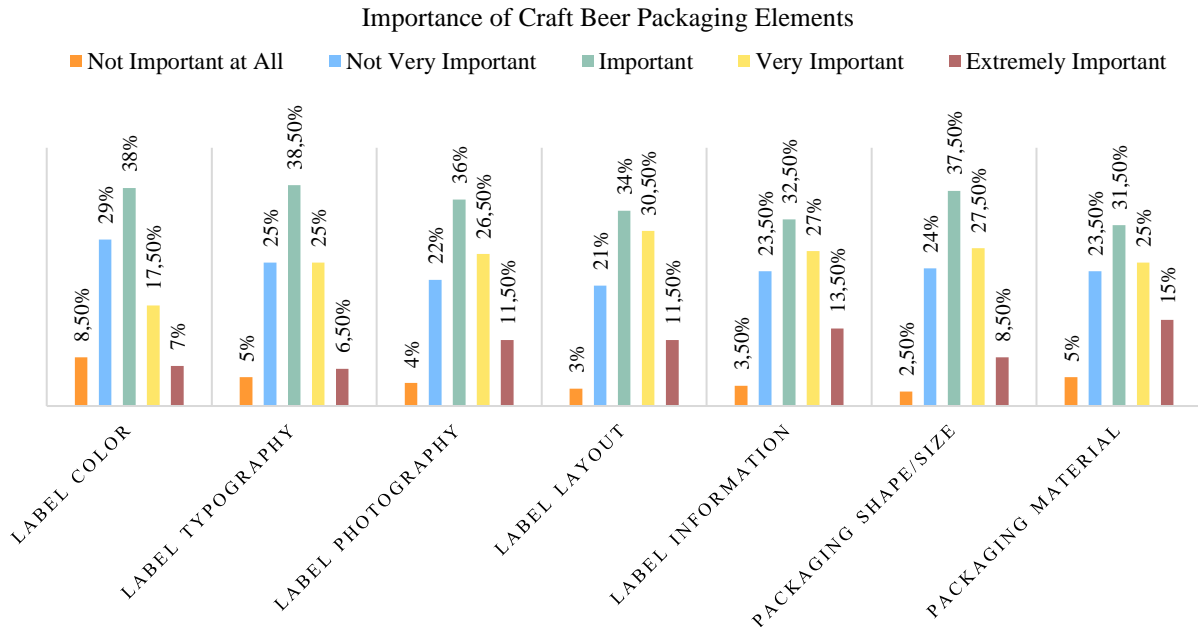


Figure 6.8 – Comparative Importance of different Craft Beer Packaging Elements

To compare the evaluated importance of the different packaging elements studied, a mean of all given scores was calculated for each element, as shown in Table 6.7. Overall, label layout obtained the highest score out of all packaging elements, with a mean score of 3.26. Next, with very similar values, followed label information, packaging material and label photography, with mean scores of 3.23, 3.21 and 3.20, respectively. Packaging shape/size followed, being considered the fifth most important packaging element out of the seven elements studied, with a mean score of 3.15. Showcasing the second to last lowest level of importance is label typography, with a mean score of 3.03. Lastly, it was possible to conclude that the least valued packaging element in a purchase situation by the respondents is label color, with a mean score of 2.85. These results varied from the outcomes obtained in the focus group and semi-structured interview, for some elements. The most notable difference was verified for packaging color, which was frequently mentioned as the most important packaging element in both previous methodologies and yet was considered the least important element in the questionnaire. As for packaging layout, which was previously considered one of the least important packaging elements by some focus group participants, results were also vastly different, as questionnaire's respondents seemed to value label layout over all other elements. This result was, however, in line with some previous remarks made in the interview and focus groups phases of the study, where both craft beer producers and consumers placed a high level of importance on well thought out label compositions, organized elements and efficient packaging readability. Other packaging elements such as label information, packaging material, label photography and packaging shape/size showcased similar levels of importance between themselves and were all considered to be relatively important by the respondents.

Table 6.7 – Mean and Standard Deviation of Importance of different Craft Beer Packaging Elements; Source: SPSS Statistics 27

<b>Report</b>							
	Importance of Packaging Elements [Label Color]	Importance of Packaging Elements [Label Typography]	Importance of Packaging Elements [Label Photography]	Importance of Packaging Elements [Label Layout]	Importance of Packaging Elements [Label Information]	Importance of Packaging Elements [Packaging Shape/Size]	Importance of Packaging Elements [Packaging Material]
Mean	2,85	3,03	3,20	3,26	3,23	3,15	3,21
N	200	200	200	200	200	200	200
Std. Deviation	1,034	,982	1,036	1,015	1,066	,967	1,116

#### 6.3.1.4. Craft Beer Packaging Preferences

From this section onwards, a significance level of  $\alpha = .05$  was used for all statistical tests.

To better understand consumers' preferences regarding craft beer packaging, questions were asked about the specific packaging elements studied in this research. All the questions asked were accompanied by images illustrating the characteristics described, to help respondents better visualize the discussed concepts, as shown in Appendix D. Firstly, regarding label colors, 56.5% of respondents seemed to prefer bright, vibrant, and bold colors, while 43.5% preferred dark, metallic (gold, silver...) and sober colors. When evaluating label typography, 63.5% mentioned preferring modern typography and 36.5% mentioned preferring classic typography. Concerning label photography, 67% of participants stated a preference towards labels with images, photography, illustrations, or pictures and only 33% stated a preference towards labels with no images. When it comes to label layouts and label information, opinions were split relatively evenly for both elements, with 51% of respondents showing a preference towards irregular layouts and 49% showing a preference for sectioned layouts, while 51.5% of respondents showed a preference towards detailed information and 48.5% showed a preference towards simpler information. Regarding packaging shapes/sizes, 57% of participants mentioned liking stylized shapes/sizes better and 43% mentioned liking standard shapes/sizes better. Lastly, when evaluating packaging material, most respondents seemed to agree on a favorite material for craft beer packaging, with 93.5% considering glass bottles as the best option and only 6.5% preferring aluminum cans. Overall, when asked which style of craft beer packaging respondents preferred, a preference towards a modern style of packaging was observed, with 59.5% of respondents choosing this style as their favorite and only 40.5% preferring a classic style of packaging, an outcome that was expected considering the results described above and the higher percentage of younger respondents. All the aforementioned results are graphically represented in Appendix E.

In order to identify possible trends in the preferences regarding these packaging characteristics, a decision was made to cross the data regarding packaging style with some of the demographic and consumption data collected – specifically: age, gender, and consumption frequency. To test for possible correlations between these variables and packaging style preferences, three Chi-Square Independence Tests

were performed. All assumptions needed for the Chi-Square tests were verified and met for each of the 3 instances of the test: existing samples are independent; the variables utilized in the test are qualitative (nominal or ordinal); expected values in cells are at least 5 (in 80% of cases) and none less than 1 (Marôco, 2014). To perform these tests, the null hypothesis was defined as “The variables are independent” and H1 was defined as “The variables are not independent”. Correlation strength was analyzed according to the values of the Cramer’s V measure of association.

Regarding age, a value of  $p < .001$  was obtained in the Chi-Square test [ $\chi^2(4, N = 200) = 34.981, p < .001$ ]. Since  $p < .05$ , we can confirm the existence of a correlation between age and packaging style preferences, which is a strong positive correlation (Cramer’s V = .418). This means that packaging style preferences are influenced by age and that, as mentioned in the previous methodologies, younger age groups tend to prefer modern packaging styles and older age groups tend to prefer classic packaging styles.

Regarding gender, a value of  $p = .012$  was obtained in the Chi-Square test [ $\chi^2(1, N = 200) = 6.381, p = .012$ ]. Since  $p < .05$ , we can also confirm the existence of a correlation between gender and packaging style preferences, which is a weak positive correlation (Cramer’s V = .179). This means that packaging style preferences are influenced by gender and that, in this case, female respondents seem to display a slight preference towards modern packaging styles, while male respondents displayed a perfectly split distribution regarding preferences for classic and modern styles.

Lastly, regarding consumption frequency, a value of  $p = .823$  was obtained in the Chi-Square test [ $\chi^2(3, N = 200) = .909, p = .823$ ]. Since  $p > .05$ , we can conclude there is no correlation between consumption frequency and packaging style preferences.

Figures 6.9 and 6.10 represent packaging style preferences regarding age and gender. Tables 6.8 and 6.9 represent the values regarding the strength of the correlations identified for both demographic variables and packaging style preferences.

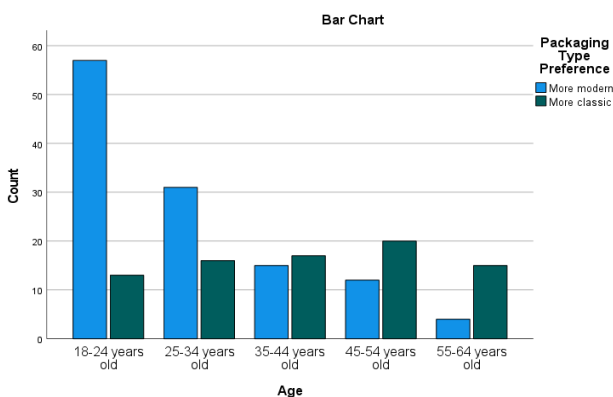


Figure 6.9 – Correlation between age and packaging style preferences; Source: SPSS Statistics 27

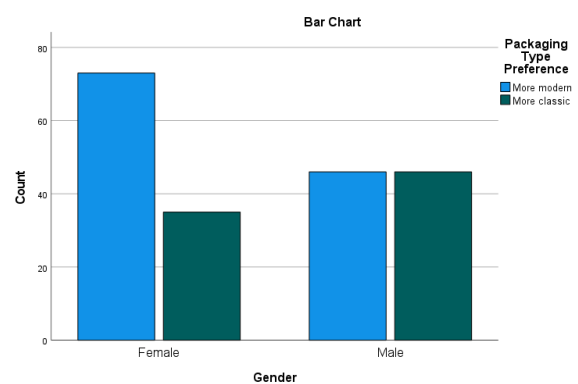


Figure 6.10 – Correlation between gender and packaging style preferences; Source: SPSS Statistics 27

Table 6.8 – Correlation between age and packaging style preferences; Source: SPSS Statistics 27

Symmetric Measures			
		Value	Approximate Significance
Nominal by Nominal	Phi	,418	<,001
	Cramer's V	,418	<,001
N of Valid Cases		200	

Table 6.9 – Correlation between gender and packaging style preferences; Source: SPSS Statistics 27

Symmetric Measures			
		Value	Approximate Significance
Nominal by Nominal	Phi	,179	,012
	Cramer's V	,179	,012
N of Valid Cases		200	

### 6.3.2. Principal Component Analysis

For the sake of decreasing the subjectivity of the respondents' answers and more accurately measuring Purchase Intention as a dependent variable, respondents who had never tried craft beer were excluded from the following sections and 4 questions adapted from Khan et al. (2018) were used to study this variable. These questions were presented in the form of five-point Likert scales with 1 meaning "Strongly Disagree" and 5 meaning "Strongly Agree" – Appendix D. To study Purchase Intention as a variable integrating these 4 questions, a principal component analysis was conducted, a technique that aims to reduce data complexity by transforming a group of correlated variables into a smaller group of independent components representing most of the information in the initial variables (Marôco, 2014).

To conduct this analysis the sample's size needs to be of at least 100 respondents or 5 times the number of variables analyzed (Hatcher & O'Rourke, 2013), a condition that is met, as the sample size used is of 163 responses. Additionally, other assumptions had to be validated before conducting said analysis. Firstly, a Kaiser-Meyer-Olkin test was performed to determine the data's suitability for principal component analysis by studying the proportion of variance among variables that might be common variance. Bartlett's Test of Sphericity was also performed to test if the data's correlation matrix is the identity matrix, indicating unrelated variables unsuited for data reduction. (Marôco, 2014).

Table 6.10 – KMO Test and Bartlett's Test of Sphericity; Source: IBM SPSS Statistics 27

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		,814
Bartlett's Test of Sphericity	Approx. Chi-Square	287,847
	df	6
	Sig.	<,001

As KMO indicates the proportion of variance attributed to underlying factors, the closer to 1 the result is, the more adequate PCA is for the data sample (Field, 2009). Regarding KMO's results, we were able to observe a value of .814, which according to (Hutcheson & Sofroniou, 1999) indicates a great sample adequacy for performing this analysis (Table 6.10). Regarding Bartlett's Test of Sphericity, a rejection of

the null hypothesis indicates significant correlations between variables, also proving PCA's adequacy (Field, 2009). Bartlett's Test ( $\chi^2(6) = 287.847, p < .001$ ) does ensue a rejection of the null hypothesis, thus indicating PCA is adequate in this situation (Table 6.10).

To extract the main components, the Kaiser's Criterion was used (extracting principal components with eigenvalues greater than 1.0), indicating the extraction of only 1 component accounting for 70.44% of total variance of the 4 original variables (Table 6.11). This extraction is good enough, as with 70.44% of total explained variance there is not too much information lost from the original set of variables (minimum adequate values are usually from 70% to 80%). The Scree Plot obtained (Appendix G) also indicates the retainment of only 1 component since it shows the stabilization of all items after this component. Thus, as initially expected, we can confirm the existence of only 1 principal component representing Purchase Intention as a variable (Appendix G).

Table 6.11 – Kaiser's Criterion used for the extraction of 1 principal component; Source: IBM SPSS Statistics 27

Total Variance Explained						
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2,818	70,441	70,441	2,818	70,441	70,441
2	,470	11,757	82,199			
3	,402	10,054	92,252			
4	,310	7,748	100,000			

Extraction Method: Principal Component Analysis.

### 6.3.3. Reliability Analysis

To verify if the variables included in the principal component extracted measure the same construct, an analysis of internal consistency was performed according to Cronbach's Alpha, a measure of internal consistency that determines how closely related a set of items of a group are. As shown in Table 6.12, the value obtained for Cronbach's Alpha is .859 - higher than 0.70 and lower than 0.90, the minimum and maximum values recommended by Tavakol & Dennick (2011) - which indicates high internal consistency. Therefore, we can conclude the principal component's reliability is confirmed.

Table 6.12 – Cronbach's Alpha; Source: IBM SPSS Statistics 27

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,859	,860	4

To complete the analysis of Cronbach's Alpha, an additional analysis must be performed, regarding possible changes in its value if a certain item is deleted. As seen in Appendix H "Cronbach's Alpha if Item

Deleted” values represent the changes in the value of Cronbach’s Alpha when a particular variable is excluded from the principal component. Field (2009) mentions that, if proven that including a specific variable decreases the overall alpha value of the component, eliminating said variable from the model should be considered. With that said, the values obtained for the column “Cronbach’s Alpha if Item Deleted” are lower than the overall Cronbach’s Alpha for every variable, meaning that removing any of the variables included in the principal component would lower the overall value of Cronbach’s Alpha and the reliability associated to it. With that said, no changes are to be made to the obtained component. Regarding the correlation matrix of the variables included in the component (Appendix G), all the items present a strong correlation among themselves (between .547 and .664). Thus, it is possible to proceed to hypothesis testing.

#### **6.3.4. Multiple Regression Analysis**

In order to test the hypothesis proposed in the conceptual model of the study by assessing the existence and strength of the relationships between the packaging elements studied and consumers’ purchase intention of craft beer (the component constructed in the previous subchapter) a multiple regression analysis was conducted. Multiple regression analysis is a method used to predict the value of a dependent/outcome variable from several independent/predictor variables (Field, 2009) - in regression, the model utilized to predict the outcomes is linear, meaning that data is summarized with a straight line.

##### ***6.3.4.1. Verification of Multiple Regression Analysis’ Assumptions***

Before performing this analysis, it is necessary to confirm some assumptions (Marôco, 2014). Firstly, it was necessary to verify the existence of a linear relationship between the dependent variable and the independent variables used. This was done by obtaining a scatterplot graph, as shown in Appendix I, that suggested a positive linear association between the dependent variable Purchase Intention and all the independent variables used. By creating a correlation matrix (Table 6.13) and observing the values of Pearson’s coefficient it was also possible to conclude that there are several statistically significant positive linear relationships between the variables: a weak linear correlation between Purchase Intention and Label Typography ( $r(163) = .174, p = .027$ ), a moderate linear correlation between Purchase Intention and Label Layout ( $r(163) = .293, p < .001$ ), a weak linear correlation between Purchase Intention and Label Information ( $r(163) = .199, p = .011$ ), a moderate linear correlation between Purchase Intention and Packaging Shape/Size ( $r(163) = .202, p = .010$ ) and a weak linear correlation between Purchase Intention and Packaging Material ( $r(163) = .178, p = .023$ ). Contrarily, no significant correlations were found between Purchase Intention and Label Color ( $r(163) = .094, p = .234$ ) or Label Photography ( $r(163) = .143, p = .068$ ).

Table 6.13 – Simple Linear Regressions (Packaging Elements’ correlation with Purchase Intention); Source: IBM SPSS Statistics 27

		Correlations							
		Purchase_Intention_Component	Importance of Packaging Elements [Label Color]	Importance of Packaging Elements [Label Typography]	Importance of Packaging Elements [Label Photography]	Importance of Packaging Elements [Label Layout]	Importance of Packaging Elements [Label Information]	Importance of Packaging Elements [Packaging Shape/Size]	Importance of Packaging Elements [Packaging Material]
Purchase_Intention_Component	Pearson Correlation	1	,094	,174*	,143	,293**	,199*	,202**	,178*
	Sig. (2-tailed)		,234	,027	,068	<,001	,011	,010	,023
	N	163	163	163	163	163	163	163	163

Secondly, assumptions regarding the residuals (errors) were checked, with all relevant outputs being presented in Appendix I. To assess if the residuals have a normal distribution, a Kolmogorov-Smirnov goodness-of-fit test was performed on the standardized residuals obtained in the analysis. A value of  $p = .062$  was obtained, thus we can assume that residuals have a normal distribution. After that, an assessment was made regarding if residuals have a mean of zero and by observing the Residuals Statistic table, we were able to confirm this to be true. Next, the residuals’ homoscedasticity was assessed, which indicates if residuals have constant variance or not. To do this, a scatterplot graph was created, and as there is no evident pattern in the scatterplot and its dots are randomly scattered, we can assume the residuals have constant variances. The last existing residuals’ assumption is regarding residuals’ independence, for which we could perform a Durbin-Watson test, but this assumption is only relevant when there is a chronological order in the data, which is not the case, therefore this assumption was not checked.

Lastly, the absence of multicollinearity between variables was tested, meaning the independent variables should not correlate too highly (Field, 2009). For this assumption to be checked all independent variables’ values for Tolerance (TOL) should generally be above 0.1 (Field, 2009) and all values for Variance Inflation Factor (VIF) should generally be below 10 (Myers, 1990). Since all these conditions were met (Table 6.16), we can assume there is no multicollinearity.

#### 6.3.4.2. Hypothesis Testing

With all required assumptions verified, we can validate the research model and move on to the final analysis. To test the hypothesis defined in the conceptual model of the study, a multiple linear regression analysis was performed, with the studied packaging elements (Label Color; Label Typography; Label Photography; Label Layout; Label Information; Packaging Shape/Size; Packaging Material) used as independent variables and Consumer Purchase Intention of Craft Beer (the component created in Chapter 5.3.2.) used as the dependent variable. For this analysis, the method of least squares was used as the standard approach in regression analysis to estimate the following theoretical model’s coefficients:



$$\text{Consumer Purchase Intention of Craft Beer} = \beta_0 + \beta_1 * \text{Label Color Importance} + \beta_2 * \text{Label Typography Importance} + \beta_3 * \text{Label Photography Importance} + \beta_4 * \text{Label Layout Importance} + \beta_5 * \text{Label Information Importance} + \beta_6 * \text{Packaging Shape/Size Importance} + \beta_7 * \text{Packaging Material Importance} + \varepsilon \quad (1)$$

Table 6.14 describes the model’s summary. By looking at the value of R<sup>2</sup> we can conclude 10.9% of the variability of Consumer Purchase Intention of Craft Beer is explained by the packaging elements used as the set of independent variables in the model. We can also consider the value of Adjusted R<sup>2</sup> (6.8%) to represent the variability of the dependent variable explained by the model, as some authors defend that this indicator is more accurate than R<sup>2</sup>, due to it considering the “loss of predictive power or shrinkage in regression” (Field, 2009). Both values are low however, which indicates not all independent variables explain the dependent variable’s variability.

Table 6.14 – Multiple Regression Model Summary;  
Source: IBM SPSS Statistics 27

Model Summary <sup>b</sup>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,330 <sup>a</sup>	,109	,068	,96520182

a. Predictors: (Constant), Importance of Packaging Elements [Packaging Material], Importance of Packaging Elements [Label Photography], Importance of Packaging Elements [Label Information], Importance of Packaging Elements [Packaging Shape/Size], Importance of Packaging Elements [Label Color], Importance of Packaging Elements [Label Layout], Importance of Packaging Elements [Label Typography]

b. Dependent Variable: Purchase\_Intention\_Component

Table 6.15 – ANOVA Test;  
Source: IBM SPSS Statistics 27

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	17,600	7	2,514	2,699	,011 <sup>b</sup>
	Residual	144,400	155	,932		
	Total	162,000	162			

a. Dependent Variable: Purchase\_Intention\_Component

b. Predictors: (Constant), Importance of Packaging Elements [Packaging Material], Importance of Packaging Elements [Label Photography], Importance of Packaging Elements [Label Information], Importance of Packaging Elements [Packaging Shape/Size], Importance of Packaging Elements [Label Color], Importance of Packaging Elements [Label Layout], Importance of Packaging Elements [Label Typography]

Subsequently, we must check the validity of the model. This can be done by analyzing Table 6.15, which represents the ANOVA test. Since  $[F(7, 155) = 2.699, p = .011]$ , we can conclude that there is a rejection of the null hypothesis and that the linear regression model is valid, meaning a linear relationship exists between the dependent variable and the independent variables.

Regarding the impact that each independent variable has on Consumer Purchase Intention of Craft Beer, this can be done by analyzing Table 6.16, which represents the multiple regression results.

Table 6.16 – Multiple Regression Results; Source: IBM SPSS Statistics 27

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-1,170	,344		-3,406	<,001		
	Importance of Packaging Elements [Label Color]	-,030	,110	-,029	-,270	,787	,482	2,074
	Importance of Packaging Elements [Label Typography]	,006	,135	,005	,044	,965	,373	2,684
	Importance of Packaging Elements [Label Photography]	-,135	,134	-,136	-1,007	,316	,317	3,150
	Importance of Packaging Elements [Label Layout]	,338	,126	,325	2,686	,008	,392	2,553
	Importance of Packaging Elements [Label Information]	,052	,090	,053	,572	,568	,668	1,497
	Importance of Packaging Elements [Packaging Shape/Size]	,081	,106	,073	,768	,444	,629	1,591
	Importance of Packaging Elements [Packaging Material]	,047	,087	,050	,536	,592	,652	1,534

a. Dependent Variable: Purchase\_Intention\_Component

According to the results presented in Table 6.16, the only variable with statistically significant results for the study in question is Label Layout ( $\beta = .338, t = 2.686, p = .008$ ), showcasing a positive relationship ( $\beta > 0$ ). This proves that H4 can be validated.

On the other hand, the results regarding the other variables studied are not statistically significant, in this case. When it comes to Label Color ( $\beta = -.030, t = -.270, p = .787$ ) and Label Photography ( $\beta = -.135, t = -1.007, p = .316$ ) although we can verify a negative relationship ( $\beta < 0$ ), this is not statistically significant since  $p > 0.05$ . Regarding Label Typography ( $\beta = .006, t = .044, p = .965$ ), Label Information ( $\beta = .052, t = .572, p = .568$ ), Packaging Shape/Size ( $\beta = .081, t = .768, p = .444$ ) and Packaging Material ( $\beta = .047, t = .536, p = .592$ ) although we can verify a positive relationship ( $\beta > 0$ ), this is not statistically significant either since  $p > 0.05$ . Thus, H1, H2, H3, H5, H6 and H7 cannot be validated. Table 6.17 summarizes the validation of the hypothesis defined in the study’s conceptual model.

Table 6.17 – Validation of Hypothesis; Source: IBM SPSS Statistics 27

Hypothesis	Validation
<b>H1:</b> Label color positively impacts consumer purchase intention of craft beer.	Not validated
<b>H2:</b> Label typography positively impacts consumer purchase intention of craft beer.	Not validated
<b>H3:</b> Label photography positively impacts consumer purchase intention of craft beer.	Not validated
<b>H4:</b> Label layout positively impacts consumer purchase intention of craft beer.	<b>Validated</b>
<b>H5:</b> Label information positively impacts consumer purchase intention of craft beer.	Not validated
<b>H6:</b> Packaging shape/size positively impacts consumer purchase intention of craft beer.	Not validated
<b>H7:</b> Packaging material positively impacts consumer purchase intention of craft beer.	Not validated

## 7. Conclusions and Recommendations

### 7.1. Theoretical Contributions

The goal of this study was to understand to which extent packaging and its elements have an impact on consumer purchase intentions in the Portuguese craft beer market, as well as to describe consumers' craft beer packaging preferences. To do this, three methodologies were used: a semi-structured interview with the marketing manager of one of the main players in the Portuguese craft beer industry, two focus groups with consumers of different age groups and a questionnaire with a sample of 200 respondents that characterized consumers' behavior, the importance of craft beer packaging and its elements as purchase criteria, and consumers' craft beer packaging preferences.

Regarding the qualitative methodologies' findings, we concluded that packaging's importance as a purchase criterion varies according to consumers' overall market knowledge and consumption frequency – better informed and regular consumers usually will buy craft beer according to their favorite beer styles, brands or to the novelty of trying new beer styles, while new or non-regular consumers will buy craft beer mostly based on packaging, as they lack the experience and knowledge to base their purchase intentions on other factors. 71% of questionnaire respondents stated that packaging is more important on a first-time purchase and 49% stated having bought craft beer exclusively/mostly because of its packaging in the past. This corroborates the idea defended by Rundh (2005), who states that a product's packaging can be “the first point of contact” between a consumer and a brand, so it must stand out on the shelf, attract consumers' attention, and make a positive impression to impact its decision-making process.

With that said, results from the focus groups and questionnaire imply that other criteria such as flavor/quality, price and recommendations also play a major part in influencing Portuguese consumers' purchase intentions. Concerning price, Portuguese consumers (especially older ones, as seen in the second focus group) seem to value spending less money, even in a premium market like craft beer, due to generally showcasing low buying power and lower levels of income. Valuing peers' opinions and suggestions also seemed to be a recurring theme, proving that recommendations are an important vehicle for consumers towards trying new craft beers.

Regarding the importance of different packaging elements, results seemed to be mixed among methodologies. Previous studies by Grossman and Wisenblit (1999) and Silayoi and Speece (2004) state that, usually, for low involvement decisions such as food items, product characteristics are less important, so graphics and colors become critical in the process of decision making due to consumers forming attitudes based on little information and time. In the interview and focus group phases of the study this was verified, as interviewees commonly identified visual elements such as label colors, label photography and packaging

shapes/sizes first as being the most important elements, due to their ability to quickly attract their attention at first sight. Some of the focus groups' non-regular and younger consumers also mentioned label information as an important element on a second stage of the decision-making process, as it helped them grasp more details about a specific beer or brand and make their purchase decisions, mitigating their lack of previous knowledge on the craft beer market.

Nevertheless, when testing the hypotheses created in the study's conceptual model through a multiple regression analysis, the only hypothesis that was validated was H4 ("Label layout positively impacts consumer purchase intention of craft beer"). This was an interesting and unexpected result since, although in the qualitative stages of the study interviewees recognized layout's importance as a packaging element, it was not one of the elements most commonly named as being most important. With that said, this result still reflected opinions expressed in the focus group sessions, since multiple participants indicated layout was an important attribute towards building a purchase intention, arguing that if products displayed an inadequate, confusing, or unorganized layout they would simply not consider purchasing them. Mr. Pedro Romão also stated that, in a traditional retail setting, packaging readability is pivotal, an idea that is corroborated by Herrington and Capella (1995), which argue that differential perception and the positioning of the graphic elements on a package may make the difference between identifying and missing an item. As also discussed in the focus groups, the importance of labels' layout towards building purchase intentions is especially pertinent nowadays, as consumers experience substantial time constraints when making their purchases and analyzing packaging (Herrington and Cappela, 1995), often making purchase decisions as a form of impulse buying (Hausman, 2000). This proves that a label's layout should be easily readable, perceptible, and efficient, in order to be successful in quickly communicating a message to the consumer. On the other hand, these results show that most of the hypothesis created in the study's conceptual model could not be validated. This means that, while certainly important in making a product stand out to consumers and become part of their consideration set, packaging elements such as colors, typography, photography, shapes/sizes, information, and material might not have a direct effect on purchase intentions in the craft beer market and their importance towards building these purchase intentions might have been overestimated by participants in the qualitative stages of the research. It's, therefore, likely that other factors/packaging elements that were not considered could have explained a higher percentage of the variance of consumer purchase intentions, had they been selected as independent variables. Additionally, while no significant relationships were found for the remaining packaging elements using the multiple regression model, it is important to mention that when analyzing singular Pearson's coefficient values through simple linear regressions, statistically significant positive correlations were found between purchase intention and label typography, label information, packaging shape/size and packaging material.

Furthermore, it was possible to describe some consumer preferences regarding craft packaging elements. Overall, questionnaire respondents stated preferring bright, vibrant, and bold colors, modern typography, the use of images, photography, illustrations or pictures, stylized shapes/sizes, and glass bottles in craft beer packaging. Regarding label layout and label information, opinions were mixed, with similar results obtained for sectioned layouts and irregular layouts, as well as detailed information and simpler information.

Finally, as we were able to recognize in the interview and focus groups, two main craft beer packaging styles exist in the Portuguese craft beer market. To identify possible correlations between packaging style preferences and other demographic/consumption characteristics, three Chi-Square Independence Tests were performed. A strong correlation was confirmed between age and packaging style preference, with younger consumers tending to show a preference towards more modern packaging (brighter colors, images, and more urban inspired designs) and older consumers showing a preference towards more classic packaging (cleaner designs, tamer colors, and a more subdued appearance). Perhaps more surprisingly, a weak correlation between gender and packaging style preference was also found, showing that females tend to showcase slight preferences for modern packaging in comparison to their male peers.

## **7.2. Managerial Implications**

According to this study, it was possible to conclude that packaging is an important factor in product development for craft beer brands, as it plays an essential role in creating a brand's identity, in making it recognizable and appealing enough to attract consumers' attention and in influencing consumers' decision-making process. This is especially important in Portugal's context, as in recent years a surge of new competitors in the craft beer market has been observed, which is starting to saturate the segment and to create the need for marketing managers to find ways of differentiating their brands from competitors.

Packaging is clearly an important factor in consumers' minds. This can be verified by 56% of questionnaire respondents stating being willing to spend more money to buy craft beer in a package that is more to their liking, proving that craft beer brands should strongly invest in packaging research and development.

Our findings also reveal that consumers often see packages as the product itself (Silayoi and Speece, 2004), attributing certain quality and flavor expectations to the packages they observe. In a premium segment such as craft beer, this is an especially important finding, as when paying a higher price for a product, consumers are not only expecting better standards in products' quality and flavor but also in looks and packaging. Thus, marketing managers must recognize and meet consumers' needs regarding craft beer as a holistic experience and not just a simple food item by creating interesting, attractive, and innovative packaging styles that can elevate the whole experience provided to customers.

Furthermore, our findings also point to the existence of clear differences in packaging preferences among different age groups and even genders, as we observed that, often, consumers' craft beer purchase intentions are created according to the packages they can most easily identify with - for instance, young consumers with packages showcasing a younger or more fun look and older consumers with packages showcasing a more sophisticated or premium look. Thus, marketing managers and packaging designers should carefully consider their brand's target audience and design/adapt their craft beer packaging according to it, in order to attract said buyers.

Lastly, our questionnaire's findings indicate that, although in the Portuguese craft beer market packaging was considered less important than criteria such as quality/flavor, beer style, price, and recommendations, it was also considered more important than brands. This is an interesting conclusion for potential new entrants in the craft beer market, who may gain from the fact that established brands do not benefit significantly from the power of brand awareness. Therefore, new market players should focus on the creation of high quality, innovative and distinctive packages, that draw consumers' attention and encourage them to try their products, propelling, that way, the process of building a new customer base.

### **7.3. Limitations and Future Research**

Despite all the efforts to minimize possible study limitations, some restrictions were identified. Firstly, in the process of developing the present study, some previously un contemplated packaging elements were recognized. Some factors that were mentioned on the focus group sessions such as label transparency, bottle cap color, beer name, packaging personality (storytelling/tone of voice), label shape and beer pairing information could also have been studied as independent variables, allowing us to draw deeper interpretations on this topic. Since due to time constraints this was not possible, studies researching the relationship between these packaging elements and consumer purchase intentions could be feasible options for future research subjects, with the objective of amplifying the existing knowledge regarding multiple packaging elements.

Secondly, we acknowledge that some uncontrollable bias could have had an impact on the focus groups and questionnaire's responses, as by using real products by some of the most known Portuguese craft beer brands, results could have been partially skewed due to some consumers already having previously tried certain items, thus, carrying preconceptions regarding some of the products, brands, and packages.

In the future, the conduction of similar research projects according to experimental methodologies could also be interesting alternatives towards obtaining further results. Some options would be the application of conjoint analysis with the creation of different packaging prototypes, as a means of combating the preconception bias present when using real products; the implementation of an eye-tracking technology to

detect specific packaging units, patterns or characteristics the consumer shows a particular interest in; the simulation of in-store or online shopping situations with different packaging prototypes to better understand consumers' packaging preferences and the reasoning behind their packaging choices.

Lastly, since unfortunately we could not reach all targets and demographics, the same study could be extended to a wider range of ages (>65-year-olds specifically, which we were unable to reach this time), nationalities/countries (since this study was only applied in the context of Portugal's craft beer market) and consumption frequency levels (the study included higher numbers of non-regular consumers comparatively to regular consumers, which could have influenced final results).





## 8. References

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## **9. Appendices**

### **Appendix A – Semi-structured Interview**

#### **Mr. Pedro Romão – Marketing Manager, “Oitava Colina”**

**- How did this business start?**

A: We brewed beer at home, that was our hobby, and we started to realize that we could make a lot of different beers and things we had never tasted, even without great know-how or great equipment at the time. Beer is the second most consumed product in liters in Portugal after water, and we clearly realized that people were all always drinking the same beer and that there was no reason for that. We also tested feedback from the people we were offering beer samples to, in 2013, until we reached a point in which we understood that, in addition to the passion we had and that motivated us, there could also be a business opportunity in this market and at that moment we started making a business plan. In January 2015 we sold the first beer officially produced by Oitava Colina, in Bairro da Graça.

**- Tell me a bit about “Oitava Colina”, your job and what you do, specifically in your role.**

A: Oitava Colina is a start-up brewery, a company that is still slightly small, in which although people have a specific role, they always end up having to do a little bit of everything, especially partners like me, since I am a founding partner. Despite this, I have always been more connected to marketing, and activities such as defining the brand’s communication and positioning. So, in terms of function, I am a marketing manager, but I do a lot of other things.

**- When it comes to the Portuguese craft beer market, which do you consider to be the main players and what is the weight of each of them in the market?**

A: I think there are about six or seven players in the country among the hundred or so craft beer producers that exist, which are serious projects. Then there are other ten or twenty that are projects that already have some potential, but because the people behind them are also dedicated to other things they are not really business projects in their entirety. But I would essentially define Musa and Dois Corvos, here in Lisbon, and also Letra as the projects that are more within the scope of Oitava Colina in terms of competition. These are our main competitors. Although when we are forced to define competitors within the craft beer market, our competitors at this moment are probably still others such as wine or industrial beer, so in a way I prefer seeing someone drinking a Dois Corvos instead of a Super Bock, as much as Dois Corvos is much more of a direct competitor of ours than Super Bock. In other words, indirect competition also has some weight here.

**– What are the most commonly used communication strategies currently by brands in this market and do they tend to be more traditional, digital, or mixed approaches?**

A: I think the strategies are always more digital, the vast majority of brands have some problems in terms of budget for communication, so it is always something that is done with more effort and less investment and therefore digital ends up being the easiest approach. It is easier to create a social media presence and share content than to take the more traditional approach. But there is a lot being done, for instance, Musa works a lot with music motives and bases all its communication on that, Dois Corvos has a slightly different positioning although it is often not noticeable precisely because the communication is not that strong, and we position ourselves as a very Portuguese brewer. We are from Lisbon, we are urban, and we make excellent beers and are recognized for that.

**– Which sales channels are usually most used in the craft beer market?**

A: Before the pandemic, the Horeca channel was clearly the most used channel. But with the pandemic, a new channel emerged that nobody had explored before, which is e-commerce, so now it already exists with some expression - during the confinement periods always with more expression than now during the deconfinement, during which Horeca tends to grow again and e-commerce goes down. In addition, there is also the retail channel that always represents volume, although with very low margins, meaning that at the business level, perhaps it does not hold the same representation as Horeca. But overall, in a normal situation, Horeca will always be the great engine of the artisanal brewers.

**- Do these channels vary according to brand positioning or are they generally the same?**

A: Yes, they vary according to the positioning and also according to the strategy and capacity of each of the brewers because not all brewers are able to be in retail, for example, and not all brewers have the capacity to be in many places – sometimes, the Horeca channel requires a commercial availability that not all brands have, so it depends a little bit on the strategy. I would say that overall, it depends more on strategy than positioning.

**- Comparatively to other factors such as price, brand, or quality, what importance do you think packaging has for craft beer consumers?**

A: I think there are many types of consumers. For the occasional consumer, I think it really has a lot of impact. These are the people who might pass by the supermarket and see the product, in this case it has an enormous importance. For a more loyal consumer maybe not so much, of course it still should never be disregarded, but this consumer will pay more attention to specific beer styles, to a beer with a new style that is being launched or to the positioning of the brand's communication - in this case, if a brand does something

related to their positioning these consumers might notice. And if we think about restaurant owners, who, although not final consumers, are our intermediate customers, what often happens is that our commercial team will be out on the streets and realize that restaurant owners like our labels and think they are appealing, and this triggers the sale. It is very important in this case too, because although they are not an end consumer, restaurants are an intermediary who strongly believes that the end consumer will react well to the labels more than to the brand, for instance. I am completely involved with this market, but I believe that for someone who is just starting, it is a bit of a complicated world because there are many styles, many brands, and a lot of other factors, so what people see visually and graphically is often what helps them to distinguish and choose. So, excluding loyal customers and those who are already consuming, for other consumers the label might often be the most important thing.

**- In your opinion, what is the importance or main objectives of packaging in your products?**

A: Here at Oitava Colina we have the component of our storytelling, in which we created characters for the packaging. In the beginning, our factory was located in Bairro da Graça, now we are in Cabo Ruivo but we created an idyllic setting in the neighborhood of Graça where these characters came into existence: “Joe da Silva”, “Urraca”, “Zé Arnaldo”, the idea was to design them, give them a personality and marry that personality with the beer that is inside the bottle. “Urraca”, for instance, is the fiery woman, an IPA beer that won’t leave anyone indifferent and that generates a lot of love but also a lot of hate, since it’s not a neutral beer, it’s a beer with a lot of character. This storytelling was our initial idea and so for us the labels are very important because, in addition to being crucial to attract people, they are essentially the face and the way we describe our beers and therefore they should always be at the level of quality of the beer.

**– How do you believe packaging influences the consumer's perception and purchase intention?**

A: As I said earlier, to a new or semi-new consumer who is not very familiar with the market yet, I think packaging is really important, maybe even the most important factor. The packaging and the design will be decisive, but it also depends on the consumer. Although there are some so-called "universal graphics", in reality universal graphics do not exist, in the sense that there might be, for instance, gothic people who prefer dark labels with dragons or something similar... If you have a more closed target, you can communicate directly through the packaging and speak to your consumers through the packaging, so I think it's really important and I think that people often choose by what they see, especially those who are new to the world of craft beer.

**- What are the most important factors that a craft beer brand should consider when developing its packaging?**

A: Readability. There are many approaches but when it comes to bottles meant to be sold at retailers, on a supermarket's shelf you have to have two things that stand out, which is your logo to identify you as a brand and the style of the beer and also appealing graphics. With that said, we have already launched more than fifty or sixty different labels and only four or five go to retailers, we have some beers which we make a thousand liters of and a label to sell only to our website or specialized Horeca customers and in that case, maybe you don't need to exclusively focus on the brand and style, you can be much more creative and do something more underground because the moment when your consumer chooses your product is usually not on a supermarket shelf, it's by suggestion or by seeing it on the Internet. On the internet everything is always different, you can do a beer bottle with an all-black label and next to it include the explanation of what it is, so it doesn't always work in the same way. But in the classic approach of retail and supermarket shelves I think the logo, product description and graphics have to be quick to catch someone's attention. And on the other hand, as you have several products, you have to make people distinguish between them, with colors for example.

**- In your opinion, which is the most important element of craft beer packaging? And which is the least important one?**

A: Assuming we are talking about retail, I would say that the first thing a person notices is color. And the second has to be the logo, to make them identify your presence there. As for the least important, amongst those I spoke of, perhaps the information on style. But I think it's mostly the graphics, the color, the things that catch your eye, make you look and then you have to be able to see the brand right away. The ideal scenario, of course, is when you look, see the color, see the color pattern and are immediately able to identify the brand because of that alone.

**- What was your most successful packaging so far? What do you think were the reasons for this success?**

A: We asked Gonçalo Mar, who is a street artist from Lisbon, to make our characters come to life: "Urraca", "Zé Arnaldo", "Joe" and "Florinda". So, he was the one that created the drawings that are on the bottles and perhaps "Urraca" is probably the strongest and best illustration, although they are all very well done.





Oitava Colina Urraca Vendaval Craft Beer

**- Have you ever developed a packaging that did not work so positively? If so, what do you think was the reason for its unsuccess?**

A: I don't know, it's not a very easy thing to measure. Sometimes failures might be attributed to the beer not being so good, other times it might be the label... It always ends up being more of a question of what we think of it or not, I can't tell you which was the least successful.

**- Do you consider there to be different styles or types of packaging within the range of Portuguese craft beer brands?**

A: Yes, there is Sovina, for instance, which has a very classic style with a fat and short bottle. They communicate a lot through the bottle itself, but even past that, their design is very clean and different, a little more classic. Then, on the other hand, maybe there are ours with illustrations, Musa's also with a lot of color, they make a lot of use of color, which draws a lot of attention and I think that these two styles are perhaps the most common. On one hand, a style with illustrations, color, and a more urban and modern look and on the other, a more classic style like Sovina, Maldita, or Letra, even.

**- And do you think these various types of packaging can be associated with certain groups of consumers (by gender, age groups, social classes, levels of involvement with the market...)?**

A: Yes, the classic labels attract more older people, and it is evident that younger people gravitate most towards liking more colorful labels, graphics, and stuff like that, that is the difference.

**- What kind of packaging do you like best in craft beers?**

A: I cannot honestly say. There are classic ones that I like a lot, I think Sovina's labels are very beautiful, for instance, and there are more modern ones that I also like a lot like ours or Musa's.

**- How does the packaging development process happen in your company, from the conceptualization to the choice of the final prototype? Do you outsource this activity by hiring a designer or do you do it internally?**

A: We usually do everything internally. When we have a new beer, there is a process of choosing a name and choosing the story behind the name, so we have several characters like “Borges”, “Sabino”, “Florinda”, “El Capitán”, “Olinda, a Bruta” ... We always come up with these names and it starts there, then the label and the design are created here internally. I happen to be the one who makes most of them. I do what I can, as I was saying before, we all do a little bit of everything, and as I have these skills from studying design, I end up doing it. But we have also made some externally, as I was saying, we have already made more than sixty labels and so we had some like “Vila Maria” that was made by Gonçalo Mar, we had “Para Inglês Ver” also made by an illustrator, there are some that we do and others that we order. Gonçalo, for example, drew “Urraca”, “Zé Arnaldo” and “Florinda”, he was the one who created these characters.

**- In terms of resources, what is the monetary value or range that you are normally willing to invest in packaging development?**

A: This is not accounted for, it is really just the cost of the paper that we account for and it's like everything else, if you buy more rolls, you can improve the price, while smaller quantities have worse prices. In terms of the production process and that sort of stuff, we have not accounted that for, we really have no idea because we do everything in house.

**– What is the number of employees and amount of time usually assigned to packaging development?**

A: It's one basically, it's just me.

**- In the next phase of this study, two focus groups will be carried out in which various craft beers will be presented to consumers to understand the importance packaging has to them, as well as their packaging preferences. What questions/topics do you think would be essential to address in the study?**

A: I think it would be relevant to understand what the most important elements for each person are and what it is that catches their attention, trying to understand this is always the aspect that interests us. Although I think it is usually the color and the graphics first and then maybe the brand. But overall, what is most important is essentially trying to understand what is it that drew people's attention to that label instead of others, what made them pick up that bottle and label and not another one.

## **Appendix B – Focus Group Sessions**

### **First Focus Group Participants:**

Beatriz Cunha, female, 23 years old – Food Engineer – Non-regular craft beer consumer

Diogo Morão, male, 24 years old – Computer Engineer – Regular craft beer producer and consumer

Diogo Soares, male, 24 years old – Computer Engineer – Regular craft beer consumer

Ricardo Dias, male, 23 years old – User Experience Designer – Non-regular craft beer consumer

Sofia Simão, female, 23 years old – Marketing Manager – Regular craft beer consumer

### **– Imagine yourself in a situation where you are in a supermarket choosing a product. What factors do you normally consider when making this choice?**

Diogo Soares: I think the main factor is the price. I'll always look at the price first and if it is appealing then I look at the product. Afterwards, if the product pleases me, I buy it.

Beatriz Cunha: The main point is the price.

Sofia Simão: Yes, the main factor is the price, but if I'm buying a product that I don't know and that I want to try, I'll mainly look at the packaging, especially at the claims that are on it and maybe also the color, because the color will draw my attention.

Beatriz Cunha: Yes, I agree, because if not for the color, I might not even look at the product. The product might be there on the shelf, but if the color doesn't catch my eye, I don't even look at it.

Diogo Morão: Alongside the price, we also have promotions. If something is on sale, we tend to look at it more.

Beatriz Cunha: And we may have friends' opinions, that can also help a little when choosing.

Diogo Soares: Yes, if there are any previous recommendations about any type of product we want to consume, that might also be an important factor.

Ricardo Dias: Building upon this, of course price always matters a lot, but I would also like to mention that there are certain products for which I think brands also matter and this does not have to necessarily mean that a brand has to be already known, like Gillette, let's say. For certain products or segments there might

be a private label, for instance, that is very good at producing them and therefore I can directly go look for that brand in a certain product category.

– **What is the importance that packaging usually has for you when choosing a product?**

Sofia Simão: To me packaging is super important when I'm buying a product I don't know much about, don't have much information on and haven't tried yet, or, when I'm buying something that I've already tried a few times before, but I want to try a different type or flavor of it. In these cases, I'll always look at the product's packaging and I probably won't choose due to recommendations, but mostly due to what I'm looking at, in that moment.

Beatriz Cunha: I think the visual aspects of a package are what will attract people at first sight, but then there are also other aspects that end up being attractive, such as packaging being practical if I need to carry it somewhere like my house. If I don't have a bag and I'm going to carry it in my hand, the functionality of packaging ends up influencing my choice a little bit too.

Diogo Soares: I was going to develop on this point regarding functionality. I can give a more specific example: coffee capsules. When you are going to buy coffee capsules, you sometimes might consider if the packaging opens in an easy way, and you try to associate the type of packaging you need with what you have at home. If you already have a container for capsules or not, if you are going to display the packaging itself or not and how easy it is to get a capsule from that package... For instance, there are some boxes with perforations that are easy to open, which allows the box to be open and displayed in the kitchen in an appealing manner and it is easy to take out the capsules. Then there are other cheaper ones that don't take this into account, they're literally just a box that closes and that's it. Sometimes this can also influence the choice a little bit, combined with quality, previous knowledge about the brand or not...

Beatriz Cunha: Building on this, if we have a more demanding consumer who is more environmentally conscious, it may be important for him to look at a box and see the amount of plastic and non-recyclable material that the package has. It's something I notice and pay a lot of attention to. I just remembered this because we were talking about coffee capsules. It's a very important factor.

Sofia Simão: Sometimes you can also assume some kind of quality associated with the product through its packaging. To me if the product's packaging seems to be of good quality, I might decide to choose it, but if I look at a product whose packaging doesn't have much color or any notable or distinctive features, I might

think that its quality is lower. As I haven't tried it yet, I'm just building expectations on what my experience might be and I think that in this aspect, packaging is clearly essential.

**– Regarding the craft beer segment in particular, what would you consider when choosing a craft beer in a supermarket? What would be most important to build your purchase intention: price, quality, brand, packaging, or other factors?**

Ricardo Dias: Even though I'm not a regular craft beer consumer, I know that craft beer is more expensive than a regular beer, so if I were to buy one in a supermarket, the price wouldn't be a distinguishing factor. I'd already be prepared to spend some money on it.

Sofia Simão: Well, that's what I was going to say, the price would never be my first concern because I already would know I was going to buy craft beer, which is expensive.

Diogo Morão: Exactly.

Ricardo Dias: If there was a name that I already knew from an advertisement or that was associated with a music festival, for example, it would make a difference. I would look for something familiar, a brand I already recognized.

Sofia Simão: I would probably also choose according to the type of beer, which usually is a piece of information indicated on packaging. There are some beer names that seem very interesting which I'm not familiar with and that immediately makes me want to try them. The drawings on the packaging also make a difference, I like the more humorous part in craft beer packaging.

Diogo Morão: Price, as Ricardo said, is not the most important. If there's a promotion, as I said earlier, and I haven't tried that beer yet, it might be a good time to do it as the price is usually so high. Otherwise, I do mostly consider the packaging and the puns they sometimes use, the whole combination of packaging allied to marketing. And then also as Sofia said, there are several types of beers, and I may not have tried a specific one and choose it because of that. Also, whether the brand is well known or not. But I would say that the first factor is the brand being known and then packaging.

Diogo Soares: I was going to pick up on what they said about novelty as a factor, a style of beer that we haven't tried yet. I would say that choosing a craft beer also depends on whether you want something you've already had before or whether you want to try something new. If you want something you are more familiar

with, you are probably already looking for something within the same brand, a specific beer or possibly within what you know, you are looking to differentiate a little within these options. When you're going to try something completely new and that you don't know at all, the first factor will be what kind of beer it is: Stout, IPA, Weiss, ... And then the consumer looks for several beers in that style and might feel enticed by several factors. Although we're saying that we are not very concerned with the price, it always has an influence, even if we are willing to spend a little more. We always try to spend as little as possible. And the price will go hand in hand with how attractive the packaging is, the shape of the bottle... Sometimes there are very strange bottles like Sovina, for instance. Sovina has a different bottle, which can catch someone's eye and make you want to read the label, the ingredients, and the whole story behind this craft beer, which, as you've also mentioned, sometimes has a component related to drawings, jokes and all of that which can draw attention and make you choose.

Sofia Simão: I totally agree with that because this one time I was going to buy a craft beer and I wanted to try something new, and I was captivated by a beer called Bob Marley because it had cannabis in the package, and it made me want to try it. And the beer was ok, but the packaging totally influenced my purchase, of course.

Beatriz Cunha: In my case, I'm not a frequent consumer of craft beer, so if I wanted to buy one, I wouldn't know how to distinguish or choose craft beers based on the type or variety of beer. Price is clearly not going to be my priority at that time either. My priority for making this decision is going to be: what is right for me at the moment in terms of appeal? And usually when I think of craft beer I think of a heavier, darker, and more intense product. And so, I try to go against that feeling and I will always look for packaging that gives me lighter feelings. We have here some examples of packages that are lighter than others and that will end up influencing my choice. I want to counteract this feeling that the product gives me with the packaging.

**- Among the craft beer packages of the presented selection, which are the ones that draw your attention the most or are the most appealing to you? And which characteristics draw your attention?**

Sofia Simão: I would say Musa, because of the pun on the name "Red Zeppelin" and the flashy colors. I also like Dois Corvos because of the wavy cut on the label which is very cute and then if I was buying something to go out to dinner with my parents or something more formal, I would like Maldita a lot, it has a more fancy look to it. The gold rim and black color are associated with something more chic and luxurious. And the one I find the least appealing is Lagunitas because it's in a can.

Diogo Morão: Musa really draws attention, both because of the colors of the label and cap and also because of the typography on the label, which also draws a lot of attention. Oitava Colina also has a fun lettering. As Sofia said, the edge of the label on Dois Corvos is nice and the bear on the back of the label is also quite funny. Another beer that no one has mentioned yet but that I, in a supermarket, would spend some time reading is Letra, because they associate each beer with a letter from the alphabet: "a, b, c, d, e and f". I would like to see what kind of beer is associated with each letter. And the fact that Lagunitas' packaging is a can is indeed a turn off. It may be a Portuguese cultural issue, but we usually don't care much for cans.

Ricardo Dias: The can doesn't even seem to fit in here with the others. The one that stood out the most to me was Sovina, due to the shape of its bottle. In a purchase situation, Musa and Dois Corvos stand out a lot because of the colors and the cut of the label. And here I agree with Beatriz, they are the ones that are lighter, for those unfamiliar with craft beer, they seem a little more approachable. And I disagree with Sofia regarding Maldita because to me that beer does not look approachable, it's more serious and I associate its colors more with wine.

Beatriz Cunha: To me, the most appealing ones are the simplest and most colorful. So, I like Musa because of the colors on the label and cap, it's very different from the usual. Letra also draws my attention in because it is very simple. Dois Corvos only draws my attention because of the label's shape and color, but otherwise it doesn't please me because the label is too full and has too much information. They filled half of the label with the picture, which may be attractive for some consumers, but to me it's not because it ends up flattening all the mandatory information on the label. The can, due to cultural reasons in Portugal and in Europe, I associate with a slightly cheaper product and, therefore, if I am buying an expensive product and then opting for a package considered to be cheap, it feels like a contradiction and it's not appealing. Sovina's packaging also goes against everything that is attractive to me. It's an extremely dark package, with a very different shape that is short and wide, and it doesn't look like a beer to me, it looks like another type of product.

Diogo Soares: Just based on what is most visually appealing, without thinking about brands, what attracts me most firstly is being different. In this case, it's Sovina, due to the shape, that stands out to the eyes because it's not normal and it looks like a medicine bottle and possibly, I would pick it up out of curiosity and read it. Regarding the can, in my opinion, as it was already mentioned, it's not common to consume craft or regular beer through a can, because the flavor is also different depending on whether it is packaged in a can or glass bottle and that in itself already creates a bad image. Moreover, in terms of shape they are all very similar, I even dare say that Letra's bottle and Dois Corvos' are the same. And then what draws my attention is, as already mentioned, the colors and the typography. Regarding these characteristics I like

Musa, Dois Corvos and also Oitava Colina which has not yet been referenced, because despite having a simple label I would possibly look at it due to the light colors. Despite having a simple label, I would possibly look at Oitava Colina first than at Letra and Maldita, which would be the last two ones I would look at.

**– Now that you have had the opportunity to observe and handle the various craft beers presented, based on the packaging of these products, if you had to choose one or two which would you buy? What are the characteristics that led you to make this decision?**

Diogo Soares: The first one I would choose would be Sovina, because the bottle's shape is different, and I would look at it first. Possibly the second one would be Dois Corvos because the fluorescent yellow on the label draws a lot of attention. If I were to compare it with other of the more colorful ones, we have Musa with a hot pink and blue as well, but then we have the yellow Dois Corvos and, in terms of appealing colors, I would go for yellow, just based on personal taste.

Diogo Morão: I would choose Musa right away because, as Diogo said, the color, the lettering and the brand's logo draw a lot of attention. And the pun they used is funny, even the name of the beer itself. The one that I certainly would not choose would be the can, it wouldn't be an option at all due to it being canned. And as it is not very common for me to drink black beer, I probably think that in second place I would go for Sovina, due to wanting to try a different type of beer. But I probably wouldn't choose Sovina if I was going to focus my decision only in terms of packaging. If I were to focus my decision only in terms of packaging, I would choose Oitava Colina because in the same way that I chose Musa in terms of graphics and brand, Oitava Colina also draws a lot of attention as it seems to have a younger brand, beer, and target audience.

Beatriz Cunha: I'll summarize what I think about each one. I'll start with Maldita, which in terms of packaging, label and information has an old-fashioned look, the typography is old-fashioned, difficult to read, and it takes some concentration to understand what is written there. And in terms of bottle, label, and colors, it looks like it could be a bottle of another type of product, not beer. Then Dois Corvos, as I said earlier, in terms of the label, is appealing and has beautiful colors, but all the information has small characters that are difficult to understand, which makes me not want to read anything that is written on it. As for Letra, in terms of labeling, I find it interesting that there is no distinction between the bottle itself and the label's paper or plastic, the transparency makes it seem like the text was written on the bottle itself. I thought including what foods I can consume the beer with on the label was clever, they are thinking of the consumer. Then Musa wins when it comes to colors, typography, and everything else that has already been



mentioned, but also in the way things are written on the label. They address the consumer as "you", in the second-person singular, so the type of language used is very personal and youthful which is appealing and nice, to me. Oitava Colina has a normal bottle, it has a different design and color, but otherwise everything is the same as any other product other than a craft beer. Regarding Sovina, I found it endearing that they talked a little bit about the brand and its history, something that no other brand did. In terms of packaging, I have already mentioned before what I had to mention regarding Sovina. When it comes to the can, I know it's not a Portuguese brand, it has the obligatory information in Portuguese, but everything else is only in English, which is not very good, and besides it's very difficult to read. The ones I would choose, according to these characteristics, would be Musa or Letra.

Ricardo Dias: What I really liked about Oitava Colina is that they kept their storytelling throughout the whole thing: the beer has the name of a character, the picture is of the character itself and the description of the beer is also about the character, and I find that very interesting. I'd also just quickly like to mention that the can never even made it into my consideration set. To me it's like it wasn't even included in the options at all. As a consumer who doesn't know much about craft beer, something I really appreciate is that some of them mention which foods are adequate to pair with each beer. If it's one of the first times I'm going to buy craft beer this is something I would probably value. Regarding Dois Corvos, I found the packaging very interesting at first, but after picking it up and analyzing it a little better, the information is poorly displayed, and I feel that I had to make an effort to understand what the beer was about. Therefore, the one I would choose from this simulated purchase would be Musa due to the combination of colors and very interesting but at the same time clear packaging, and the functional factor of giving me some information about which foods to pair it with. Other than Musa, I would also pick Oitava Colina because the packaging is also clear and interesting, and it has the additional factor of keeping the brand's immersive fun and storytelling.

Sofia Simão: I agree with Ricardo, I would also pick up Musa and Dois Corvos first to analyze the packaging, but after picking up Dois Corvos I was a little disappointed because the information itself is not clear and there was not much information to help me in making my choice. So, I would also choose Musa for the same reasons that have already been mentioned. To me my favorite part was all the copywriting, all the appealing and funny sentences that they built thinking of a much younger consumer than, for example, Maldita's or Letra's. My favorite quote was: "Light as an airship, it will take you wherever you'd like. Many times, that will be the bathroom.". And then I would also feel inclined to pick up Sovina, firstly because of the bottle's shape, since it's super different. And I would also choose it due to the information on the back of its label because I really liked how they talked about their company. But what interested me the most was

the part regarding ingredients where they mention that the beer is made with natural ingredients, which I think is important... My choices would, therefore, be Musa and Sovina.

**- Which craft beers would you not choose, based on their packaging? What are the characteristics that led you to make this decision?**

Diogo Morão: Lagunitas because it's a can.

Sofia Simão: Yes, I also agree with that, I wouldn't choose the can.

Diogo Soares: I think we all agree on Lagunitas due to it being in a can.

Beatriz Cunha: Yes, I would exclude it right away.

Ricardo Dias: Me too.

Diogo Morão: Craft beer is supposed to be a premium product and the can doesn't convey that image.

Sofia Simão: For me a craft beer should never come in a can. The information itself is not good either, I can't read anything.

Diogo Soares: To me, as I mentioned before, putting the same drink in a can or a glass bottle can differentiate the flavor of the product itself due to the aluminum in the can. The aluminum gives a whole different flavor to the liquid itself and the glass bottle doesn't have that particularity.

Beatriz Cunha: And although we are only talking about it being a can, even the can on itself is not appealing. The can could have had the same colors as Musa and I might have looked at it, so everything is disappointing. The can, the colors, the text... Nothing is appealing in Lagunitas. They could have used completely different colors in a can, I've never seen a hot pink can, for instance.

**- Since you all chose the can, in order to discuss other possible factors, if you had to point out a second craft beer that you would also not choose, which one would it be?**

Everyone: Maldita.

Sofia Simão: First of all, I can't identify with the beer at all, I totally feel like I'm not Maldita's target. I see it as being much more formal and more serious. As I said, I would pick this to go out for dinner or for something more serious with my parents. To me, normally I wouldn't Maldita, it doesn't have a youthful image. As some people said, it reminds me of another type of product like wine and I don't want something with a serious and boring look, I want something that is more fun and colorful.

Diogo Morão: Yes, alongside all the other ones, this is what Maldita transmits. As we have other points of reference such as Musa, by putting one next to the other it becomes obvious they are completely opposite. But if I went to a restaurant, ordered a craft beer, and they brought me Maldita, it would make more sense, for instance.

Sofia Simão: Exactly, it depends on the occasion. Let's say I was going to buy a craft beer for my grandfather, I might pick Sovina, because it's a little more old school looking.

Diogo Soares: In terms of packaging, the simplest one might be in fact Maldita. They kept the label as simple as possible, similarly to, as already mentioned, a wine bottle, whose front packaging is usually quite simple, only portraying the name of the wine, the cellar where it was produced and not much else. I think they tried to take that idea and keep it simple and in that aspect they did it well, but it's got a very dark color, it's not the most attention-grabbing color and that's why I think it's also unanimous for the rest of the group that Maldita is the second beer we would not choose.

**– What are the elements of craft beer packaging that you consider to be the most important to develop your purchase intentions?**

Diogo Morão: The label is the most important thing. Firstly, its visual aspect, meaning whether it is appealing or not, and secondly whether the information in it is easy to understand or not. As a reference, Dois Corvos, as some mentioned, was very visually striking, but the information on it was not as noticeable. Regarding visual elements, I think the most important one is the color and also some simplicity in the design, but not in excess, like Musa. Musa has the brand's logo and the name of the beer highlighted and then if anyone wants to read about it more carefully, it also has another section below that with smaller characters giving more detailed information about the beer.

Ricardo Dias: I would highlight the color as being important for first impressions, the beer's personality, which includes the name of the beers such as "Urraca" or "Red Zeppelin" that I find very fun, copywriting, and the storytelling itself which includes the story that the beer tells and then also the imagery,

accompanying it. And thirdly the information, because after the color and personality draw in my attention, I'll probably pick the bottle up. In that phase, the most important thing is: does the packaging mention what I want to know or not? It's these three things.

Sofia Simão: I'm also going along the same lines as Ricardo. Firstly, the most important thing would be the color, to draw my attention in, but I would not make the decision just based on color, but also on the information present in the bottles that initially caught my attention. For example, I excluded Dois Corvos because of that. I loved the label, the super fun and different label shape, the color, and the image too, but in terms of information there was nothing for me that was important and that caught my attention excluding the information on beer style, that is somewhat important. Other than that, there was nothing that was interesting. Other important factors would be storytelling, which is super important for me too because I like beers that are a little more fun and also the bottles' shape and information regarding ingredients.

Beatriz Cunha: To me it's colors. I also found the shape of that label fun, Dois Corvos has a wavy label unlike all the others. Regarding Letra, I also find the detail of the label's transparency very interesting, as well as its communication and the relationship created through the label with the consumer. They are able to show that they are not just there to display another beer, but to do something special and prove that this bottle is special and different from all the others.

Diogo Soares: As for the characteristics that immediately caught my attention, the first would be the shape, which is why I chose Sovina right away. The second one would be what is most eye-catching at first glance, which most often is the colors. Usually if the colors are flashy enough, we will look at them to try and better identify what we're seeing. The presence of images also tends to draw attention, if the packaging has a design that is not common and looks out of the ordinary that definitely arouses curiosity. Finally, the information would also be important in order for me to be able to identify the type of beer I am looking for and, within that type, what additional information can be given to me about that specific beer.

**– Out of all of the elements I am studying there was only one that was not mentioned, and I would like to ask you about it. Do you consider the layout of the packaging to be important?**

Beatriz Cunha: It's important, that's why I mentioned Dois Corvos is not well organized, to me. The entire label's layout is not good. Then we have simple and normal layouts like the one on Oitava Colina, which follows the normal layout with all the designations vertically, the brand horizontally, and all standard elements present.

Sofia Simão: Yes, we don't want something that looks super full. It doesn't draw attention by itself, but it helps the consumer to do his research for information at the supermarket because if the label and packaging are not well organized, I can't get my information.

Ricardo Dias: I was also going to say that. We were calmly analyzing the bottles, but if I were in a supermarket instead of picking up six, maybe I'd only pick up two, and if I don't find what I want to find when I look at the bottle, I let go of it. It's important, but I think that that's already implied and it's mostly in a second phase, after you've already picked up the bottle.

**– What are the elements of craft beer packaging that you consider to be the least important to develop your purchase intentions?**

Beatriz Cunha: Perhaps photography and typography.

Diogo Soares: To me, the least important of all of them is the typography. It's not a decisive point. And secondly the layout, because it can make it difficult to choose or read something if it's bad, but it's not an eliminatory factor either. Everything else is basically on the same level.

Diogo Morão: The shape of the bottle is the least important to me. It's not that it's not important but it's the least important, it would be the last thing I would look at.

Ricardo Dias: I would divide this whole process into two phases. When I'm still initially looking at the bottles, the information and layout are not that important yet, unlike the colors and probably the shape of the bottle or the material. But, after picking up a bottle, the color might no longer be such a key factor and the layout and information start becoming more important. Therefore, I can't really identify any of the elements as being the least important. I think packaging characteristics all have different levels of importance at different stages of the purchase.

Sofia Simão: I think all elements are important. Whether at one stage or another I'll always need some of these types of information or eye-catching elements to make my decision, but maybe I'd choose the layout, because when my attention has already been caught by one bottle that means it has already captivated me and I'm not all that interested in the layout itself. And if I've already grabbed it, I'll try to spend some time reading it, but that's the only reason why I say layout. Of course, it's still important that the packaging and label are well organized, but maybe that would be the least important factor.

**– Regarding the topics covered today, what do you consider to be the most important key point to highlight?**

Diogo Morão: A very broad answer is that marketing is almost always everything that matters. It is important for brands to know what kind of target audience they want to captivate and also change their packaging in order to captivate them. As Sofia said, for people older than our age, maybe beers like Sovina draw more attention for having a more old-school packaging, while Musa is more attractive for us in the age group up to 25 years old, because of the appearance and sense of humor of the package. In other words, it is important to adapt the packaging to the target audience.

Ricardo Dias: I think from what we discussed and from what I heard the rest of the participants say, my main takeaway from this is that a craft beer is an alternative product, and it seems to me that when brands embrace this and assume this alternativity by being bold, generally they will gain from that. It's also a question of balance, being bold without losing functionality, but what it seems like to me is that those who take on a stronger personality and are bolder, stand out more when we have many beers in front of us for a purchase choice. When the packaging, name, graphics, and all the features are bold, this helps draw attention and reach the consumer, without compromising being functional.

Beatriz Cunha: I consider craft beer to be a premium product and if I am willing to pay a little more for it, my expectations are, as already mentioned, that it will also be an out of the ordinary and alternative product. And the argument of craft beer being alternative has to be evidenced on the packaging and label, throughout, it's not just the flavor that counts. Because of this, I'm going to opt for more different and unusual packaging and that will manifest itself with colors, fonts, labels, caps, the material on the labeling itself... All of that is alternative, it's not normal to find those things in a product like regular beer, which for me is the basic version of this. As I consider this a premium version of a product that for me is basic, I will end up comparing the packaging of a regular beer with these ones and see where they differ. In fact, the can is as close as what I imagine a normal beer to be, and that is precisely why it would be the first one to be eliminated from the set. As I'm looking for a distinction in craft beer, this distinction has to not only be present in the taste, but also present in the packaging.

Diogo Soares: What I would highlight, and that was also mentioned here, is that, when we are looking for a product, there are two phases. In the first phase, what matters is what draws your attention in the most: whether the product is flashy or not, the color, the shape, those kinds of characteristics connected to a more visual side of things and that will get your attention when you are looking at the product from a distance. If your packaging doesn't attract attention the first time someone looks at it, it's not even worth having very

good information because people won't even pick it up to begin with. Your product will only become a second or third choice, it won't be considered at all. And then there is a second stage, in which the product has already managed to catch your attention, and you will feel inclined to pick it up to have a better look at it. And then the layout and information become important, as well as the storytelling element that can captivate you or not, depending on the type of person, but usually, if you are part of a younger target audience, this might also influence the choice. In conclusion, generally all features are important.

Sofia Simão: So, in conclusion, I think we all agree that packaging is a very important variable when making purchase decisions in the craft beer market.

## **Second Focus Group Participants:**

Bruno Duarte, male, 40 years old – Electrician – Regular craft beer consumer

Carlos Rodrigues, male, 48 years old – Warehouse Manager – Non-regular craft beer consumer

Fernanda Afonso, female, 56 years old – International Freight Forwarder – Non-regular craft beer consumer

José Marques, male, 57 years old – Anthropologist – Non-regular craft beer consumer

Rui Terras, male, 41 years old – Electrician – Regular craft beer consumer

### **– Imagine yourself in a situation where you are in a supermarket choosing a product. What factors do you normally consider when making this choice?**

Rui Terras: Price, I think everyone looks at the price. Also, promotions, and the impact of the colors on the packaging. There are products for which I'm not very interested in an attractive look, such as shampoo, but for craft beer specifically, I think it counts a lot. For example, at craft beer fairs the brands and logos are all always very attractive. And I for sure think that looks are important in this segment. I like to see bottles with different shapes, that give beers a more artisanal feel because the bottles are different from what we are used to.

Fernanda Afonso: For me the most important factor is the price. And the quality.

Carlos Rodrigues: Normally it's the price and the look of the packaging.

Bruno Duarte: Price is fundamental and also quality. But to be able to judge quality, someone has already have had to experience a certain brand, because if not, you cannot be sure of the quality. I think that's where packaging comes in, maybe, to transmit that sense of quality before you even try the product.

### **– What is the importance that packaging usually has for you when choosing a product?**

Fernanda Afonso: As a woman, sometimes packaging has a little influence on me, I think it's that way more for us women than for you men. The color, the shape being different, stuff like that sometimes has an impact too. And above all the brand, of course.

José Marques: I think packaging can often look more appealing or less appealing, although since sometimes I'm looking for something new, I don't know the product itself at all. I often buy stuff just because the packaging is beautiful and I end up deciding because of it, but I don't really know if what I'm buying has good quality. There may be another product right by the one I bought, with less appealing packaging and it may even be better, but I don't know.



Bruno Duarte: Exactly, packaging has a lot of influence on the first contact, on the first time we buy a product, but after trying it, if the content of that product is not good, then most likely people in our age group will no longer choose this product again, even if the packaging is amazing.

Rui Terras: Environmentally friendly packaging has also been a hot topic lately. Nowadays, all brands aim for it and promote it heavily. I don't usually pay a lot of attention to that myself, but if I'm deciding between two packages and one of them is eco-friendly and the price is good, I might end up choosing that one because of this.

Bruno Duarte: An interesting thing is that there are two products for which I prefer glass packaging over plastic by far, these are Água das Pedras and Coca Cola - the new 1 liter bottle with the traditional glass packaging. The products' flavor is totally different, material really has an influence on it.

José Marques: Yes, to me glass is also different and better than aluminum cans.

Carlos Rodrigues: I prefer glass too, actually.

Fernanda Afonso: Deciding on the packaging's material can also depend on the situation, for instance, if you are going on a trip, then maybe glass isn't the most functional option because it can break. The can may not be the prettiest package, but in terms of transportation it is the most practical.

Rui Terras: Yes, I agree, for instance, when I was younger, I sometimes used to go to Lisbon to sell drinks at some events and I always bought cans instead of bottles because transport is much more practical. But when consuming, I always prefer glass. Another thing I would like to mention is promotions, points or offers included on packages. For example, those coupons that say stuff like: "You can earn something if you buy this pack", sometimes we as consumers like that unconsciously.

Bruno Duarte: I prefer promotions such as "If you buy one of these packs, you also get a free pack of peanuts", for example, or a discount on these peanuts.

Rui Terras: Exactly, promotions like that. As a kid, when I used to pick which breakfast cereals I wanted to get, the free toys showed in the packaging always became the decisive factor.

**– Regarding the craft beer segment in particular, what would you consider when choosing a craft beer in a supermarket? What would be most important to build your purchase intention: price, quality, brand, packaging, or other factors?**

José Marques: Price is the most important one.

Bruno Duarte: Price and quality.

Rui Terras: Price and quality. When we don't know a specific beer, we can also consider a recommendation from someone or hear a friend mention that a certain beer is good, and this might create some curiosity. But price, essentially, is really important.

José Marques: Beer style is also important. For instance, I am not a big fan of Stout, they might even be the best beers in the world, but I'm not a big fan, I prefer Pilsner or IPA.

Rui Terras: Packaging is also important, of course. In terms of packaging, maybe fifteen years ago I would have preferred more colorful graphics, with images of stars, “quinas” or a young, modern boy. Now I prefer a beer with a style that conveys the idea of it being more artisan-like, of it being outside of the industry. It might even be massively produced, but it can't look entirely industrial, it should resemble, for example, the feeling of those little alcohol bottles our grandparents used to produce and then offer to the whole family.

Fernanda Afonso: I would also choose according to packaging and consider the final goal of the product as well. If I was ever going to buy craft beer for a party of young people aged 20, for instance, I would always end up choosing packaging with more colors on it, it would definitely depend a lot on the age group that would consume the beer. But we also have to pay attention to the price.

Carlos Rodrigues: And possibly also to alcohol percentage. And also, recommendations, as already mentioned, the word-of-mouth effect.

**- Among the craft beer packages of the presented selection, which are the ones that draw your attention the most or are the most appealing to you? And what characteristics draw your attention?**

Fernanda Afonso: If I went to the supermarket to buy craft beer and I was going to have a party where the age group is over 40, I would choose a beer with a more sophisticated look, so maybe I would choose Maldita or Letra. If I was buying beers for a party for young people in their 20s, I would choose the most appealing ones in terms of color, like Musa, Dois Corvos and Oitava Colina, whose name I think is fun:

"Urraca". If I was curious to try one of these beers and I was going to choose one for myself, I think I would choose Sovina because the bottle is unusual, and I find it very fun. In terms of characteristics to justify these choices, Maldita has a cleaner and more gourmet image, due to the black and gold label, very soft colors that are associated with quality products, and Letra also has a very simple bottle with only two colors, which contrast very well with the color of the bottle itself and this draws in my attention. Sovina because it's black and white and because of the shape of the bottle. The other three I think are nice for a younger age group because the colors are more cheerful and have a younger look. If I had to go somewhere and if I was going to transport a beer, I might eventually pick the can, not because it caught my attention, but because it would be more practical.

José Marques: I like Maldita because the packaging is simple and very beautiful. I like the name of the beer, its colors and its bottle which has a simple and elegant shape. On the other hand, I don't like the shape of Sovina's bottle, I think it's too fat and it looks like it would be difficult to hold. I also like Musa because of the wordplay of its name "Red Zeppelin", and I like the bottle.

Rui Terras: Looks wise, Sovina gives me the feeling of a more artisanal beer. I also like Maldita because it has a slightly different shape, it almost looks like most of the others, but it's more elegant and it has a gold label. That communicates that it is gourmet and gives me the feeling that it could be served with seafood, for instance

Bruno Duarte: I too prefer Maldita since the label's colors looks light and sophisticated and also because of the shape of the bottle. I also like Letra because the label is simple. Personally, to me this is a bit like going to a pastry shop and seeing all those colorful cupcakes that don't actually taste very good. Meanwhile, we look at a plain pastry that looks simpler and we automatically know it's good and we're for sure going to like it. That logic also applies here, a little bit.

Carlos Rodrigues: In my case, the ones that draw my attention in the most are Maldita due to the label and the differently shaped bottle and maybe also Musa and Dois Corvos because the labels are very appealing. Their colors in particular are quite appealing.

Fernanda Afonso: The Dois Corvos label is interesting because it has that wavy cut around it. In terms of shelf exposure, it might attract a lot of attention. But I still don't know if I would choose it over Musa. But I think that in terms of catching someone's attention, it might also be able to stand out.

Rui Terras: Musa's "Red Zeppelin" makes you look instantly, the combination of blue and pink creates a very strong visual attraction.

Fernanda Afonso: I think that whoever designed "Red Zeppelin's" bottle thought about it very carefully. Even the cap being blue to match the label, it's very different compared to the others, which have caps with more normal colors.

Rui Terras: Yes, they did a very good job with the colors and even had the courage to use a hot pink color on the label, which in a traditionally more masculine market such as the beer market is quite a brave thing to do.

**– Now that you have had the opportunity to observe and handle the various craft beers presented, based on the packaging of these products, if you had to choose one or two which would you buy? What are the characteristics that led you to make this decision?**

José Marques: Well, I'll start by saying that I changed my mind. I would no longer choose Maldita because when I picked up the beer and tried to read the information on its label, I couldn't see or read anything. During the observation, Rui was saying that he couldn't read the information well because he forgot his glasses, but the problem is not that he didn't bring his glasses, it's that this is really badly designed, the composition of the label is wrong, and you can't read anything. So, I changed my decision, I'll drop Maldita and instead choose Musa and Oitava Colina. Firstly, because I can read the information on the label and I like the way it's presented, it's not small, it's excellent and well organized. And as I said before, not only do they play with the text and the names on the bottle, but they also add some funny drawings. I also like Oitava Colina's cap, it's spectacular, and also the shape of the bottles.

Fernanda Afonso: I honestly don't know if in a purchase situation at a supermarket, I would pay much attention to the details of the beer's characteristics. As I don't understand anything about beer, reading its characteristics or not is indifferent to me. I wouldn't choose because of that, I would always go for the shape of the bottle, so I would choose Sovina because I think it's different and I would probably continue to choose Maldita as well. I think Sovina's shape is very different and regarding Maldita, although the information is not visible, I would choose it due to its colors, because it looks like a more sophisticated label to me. I don't think I would assign much importance to the beer's characteristics.

Bruno Duarte: I would choose Letra and Maldita. My decision is based on the shape of the bottles and the labels themselves, because of a sense of simplicity and sophistication, I can't explain it, but aesthetically I think they have beautiful labels. Maldita's bottle almost looks like a bottle of white wine. As I said before,

I associate the other bottles with those colorful cupcakes full of whipped cream, artificial dyes and all those things which I don't like, and the ones I chose with sophistication. They give me a sensation of simplicity, a more premium feel.

Fernanda Afonso: Yes, exactly, they look more premium and like sophisticated products.

Rui Terras: Yes, I would also choose Maldita because I can imagine myself buying it along with some seafood to cook at home. On the other hand, if I wanted to drink a craft beer in a more relaxed way, I would choose Urraca because I really like its graphics and the strong words used. "Urraca Vendaval" is a very strong and fun name. But my decision is also influenced by the fact that I like IPA beers. Since I already have some knowledge about beer styles it's hard for me to completely disconnect from it.

Carlos Rodrigues: I also think I would choose Musa, not because of the characteristics of the beer itself, but because of the label, especially due to the very appealing colors. I don't actually think anyone would analyze the beer's features in depth. And then I would also maybe choose Sovina, due to the more sober colors of the bottle and label and also due to the beautiful typography, which gives the beer a feeling of being handcrafted and more traditional.

**- Which craft beer would you not choose, based on their packaging? What are the characteristics that led you to make this decision?**

Rui Terras: I'll start by saying that Lagunitas is the one that I definitely wouldn't choose. Precisely because it's in a can.

Fernanda Afonso: It is the least interesting, I agree.

José Marques: Yes, I don't like the can either.

Carlos Rodrigues: I wouldn't choose that one either.

José Marques: And although I've been told that it's not exactly like that anymore, I still associate the way cans are stored in warehouses with inferior hygiene. When it comes to bottles, we normally pour the product into a glass without the product actually touching the packaging's surface. Meanwhile, when it comes to cans, we have to wash them first because either we put our mouths directly on them or the beer has contact with the aluminum when pouring.

Rui Terras: Cans are only good if you need to put them in a bag and take them to the beach, for instance, but if that's the goal I would rather just buy a regular beer like a canned Sagres. As craft beers are more expensive than conventional ones, this doesn't seem coherent, it doesn't make sense to want to drink a craft beer and then decide to buy a can.

Fernanda Afonso: I don't think I would choose Dois Corvos either. The label is a mess, and I don't understand it. It has "Matiné" and Dois Corvos written on it, but I don't even understand what the name of the beer is. Then there's a random bear with glasses. I find it a little confusing, what does the bear have to do with glasses, Dois Corvos and with "Matiné"?

José Marques: I wouldn't choose Sovina either. I don't like the shape of its bottle, it's short and small, it looks like a cough syrup bottle and it's not even easy to hold.

Bruno Duarte: Musa and Dois Corvos are the ones I wouldn't choose because I think they feel the need to draw a lot of attention onto their labels by putting in those bright colors in order for people to look at them, so right from the start I'm suspicious of the quality of the product inside. They have to have those bright colors to attract attention, so in my head what's inside is probably not good.

**– What are the elements of craft beer packaging that you consider to be the most important to develop your purchase intentions?**

Fernanda Afonso: In my personal opinion, craft beer reminds me of a traditional and classic product, and to me the bottle that has the most old school-looking feel, namely in terms of typography, is Sovina. The font itself looks like the handwriting that was taught in schools in the past and the shape of the bottle also looks like older bottles. So, to me the most important characteristics are the shape and the typography.

José Marques: To me the most important thing is the shape of the packaging and then the label. Regarding the label, I really like the sense of humor on the name of Musa's beer, "Red Zeppelin", I think it's really smart. And I really like the look of Maldita for its simplicity, although I can't read almost any of its information. When it comes to Maldita, I really like the shape of the bottle itself, I could take the label off and even without a label, this bottle would be the prettiest of them all to me.

Rui Terras: The name of the brands and the name of the beers is the most important thing.

Bruno Duarte: Honestly, I still think I will continue to say that color is the most important factor.

Carlos Rodrigues: To me it's color as well.

**– What are the elements of craft beer packaging that you consider to be the least important to develop your purchase intentions?**

Fernanda Afonso: The layout.

José Marques: To me it's typography.

Rui Terras: To me the information.

Bruno Duarte: I also agree with Rui, the information.

Carlos Rodrigues: To me the least important is the layout.

**– Regarding the topics covered today, what do you consider to be the most important key point to highlight?**

Bruno Duarte: I would highlight that labels' colors are probably the most important element in craft beer packaging.

Rui Terras: The idea that I would highlight is that there is an association of craft beer to something older, archaic, and traditional, which should translate to a feeling of being brewed at home. And so, bottles with more sober, old-school, and handcrafted looks are usually the ones I prefer, like Sovina's.

José Marques: I think the most attractive element of craft beer packaging is the bottles' shapes. I think the most beautiful bottle among the ones presented is Maldita, due to its elegance and if I were to choose a beer just for its visual component, without looking at its information, I would have definitely chosen that one.

Rui Terras: Maybe our choices leaned more towards bottles with a simpler and more sober look due to our age. I'm certain that if I was 18 years old, I would be running away from more classic looking bottles and I would have wanted a younger looking bottle instead, that conveyed other ideas such as: bohemian life, friends, madness, raves, more colorful and younger looks. I believe my choices would have been completely different had I done this 20 years ago.

Appendix C – Packages Presented in Focus Groups



A - Musa Red Zepelin Craft Beer



B - Oitava Colina Urraca Vendaval Craft Beer



C - Dois Corvos Matiné Craft Beer



D - Maldita Bohemian Pilsener Craft Beer



E - Letra b Craft Beer



F - Sovina Stout Craft Beer



G - Lagunitas IPA Craft Beer



## **Appendix D – Questionnaire**

### **Section 1 – Introduction**

This questionnaire was prepared within the scope of the Final Dissertation of ISCTE Business School's master's in management. The main objectives of this study are to understand to which extent packaging and packaging elements have an influence on consumer purchase intentions of craft beer, as well as to understand the preferences of consumers regarding this type of packaging. The information collected in this questionnaire is completely anonymous and confidential, so please answer the questions in the most truthful and honest way possible. If you have any questions while completing the questionnaire, please contact me. The completion of this questionnaire lasts around 5 minutes. Your participation is extremely important towards the conclusion of this study. Thank you very much for your cooperation.

Diogo Luís

Are you 18 years old or older (legal drinking age in Portugal)?

- Yes
- No

### **Section 2 - Consumer Profile**

How often do you drink craft beer?

- I have never tried craft beer
- Less than once a month
- 1 to 5 times a month
- Over 5 times a month

Where do you usually drink craft beer? (multiple answers can be selected)

- At home
- In restaurants
- In bars/cafés/pubs/taprooms
- At events/parties
- Other

Usually, I drink craft beer... (multiple answers can be selected)

- By myself
- With friends
- With family members
- Other

### Section 3 – Importance of Craft Beer Packaging

How important do you consider the following criteria to be when choosing a craft beer?

	Not Important At All	Not Very Important	Important	Very Important	Extremely Important
Packaging (Label + Bottle/Can)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Brand	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Price	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Beer Style	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Flavor/ Quality	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Recommendations	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Alcohol Percentage	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please read the description of the following packaging elements before answering:

- Label Color: Refers to the colors present on a label.
- Label Typography: Refers to the fonts used in a label.
- Label Photography: Refers to the images, photographs, illustrations, or pictures present on a label.
- Label Layout: Refers to the arrangement and placement of packaging elements on a label.
- Label Information: Refers to all the information present on a label (information about the product, brand, nutrition, ...).
- Packaging Shape/Size: Refers to the shape of the package itself (elongated, rounded, ...) and its size (taller, shorter, ...).
- Packaging Material: Refers to the material of a container (glass bottle, aluminum can, ...).

Rate the following packaging elements according to their importance in a craft beer purchase situation:

	Not Important At All	Not Very Important	Important	Very Important	Extremely Important
Label Color	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Label Typography	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Label Photography	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Label Layout	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Label Information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Packaging Shape/Size	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Packaging Material	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Have you ever bought a craft beer mainly/exclusively due to its packaging?

- Yes  
 No

Do you consider packaging to be more important on a first purchase?

- Yes  
 No

In general, would you be willing to spend more money to buy a craft beer with packaging that is more to your liking?

- Yes  
 No

## Section 4 - Craft Beer Packaging Preferences

In this section, we will test your preferences regarding each of the packaging elements studied in this research. The presented images are meant to simply illustrate each type of characteristic.

Which type of label colors do you prefer?

Bright, vibrant, and bold colors



Dark, metallic (gold, silver...) and sober colors



Which type of label typography do you prefer?

Modern typography



Classic typography



Which type of label images do you prefer?

Images, photography, illustrations, or pictures



No images



Which type of label layouts do you prefer?

Sectioned layouts



Irregular layouts



Which type of label information do you prefer?

Detailed information



Simpler information



Which type of packaging shapes/sizes do you prefer?

Standard shapes/sizes



Stylized shapes/sizes



Which type of packaging material do you prefer?

Glass bottles



Aluminum cans



Which type of craft beer packaging do you prefer?

More modern

More classic

### Section 5 – Purchase Intention

Please rate the following statements regarding craft beer as a product, according to your level of agreement:

	Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree
It is very likely that I will buy this product in the future	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I would buy this product the next time I went shopping	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I think about buying this product	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I will recommend this product to my friends and family	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

### Section 6 – Sociodemographic Information

Reminder: All information collected is completely anonymous and confidential.

Gender:

- Female
- Male
- Other

Age:

- 18-24 years old
- 25-34 years old
- 35-44 years old
- 45-54 years old



- 55-64 years old
- 65 years old or older

Education Level:

- Elementary Education
- High School Diploma
- Bachelor's Degree
- Master's Degree
- Doctorate Degree

Professional Situation:

- Student
- Employee
- Student and Employee
- Unemployed
- Retired
- Other

Household Size:

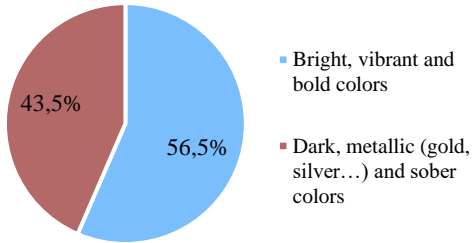
- 1 person
- 2 people
- 3 people
- 4 people
- 5 people
- Over 5 people

Household's Net Monthly Income:

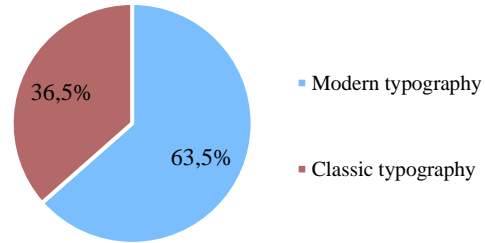
- 0-599€
- 600-1199€
- 1200-1799€
- 1800-2399€
- 2400-2999€
- >3000€

## Appendix E - Packaging Preferences

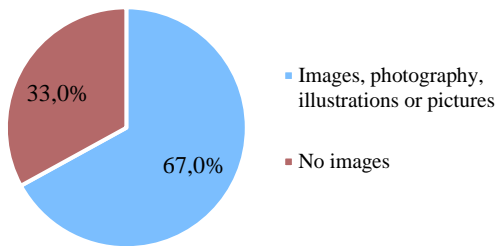
Preferences regarding Label Colors



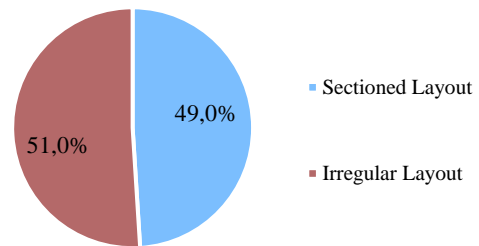
Preferences regarding Label Typography



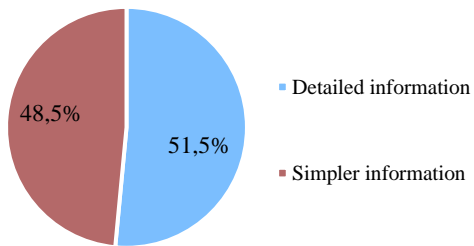
Preferences regarding Label Photography



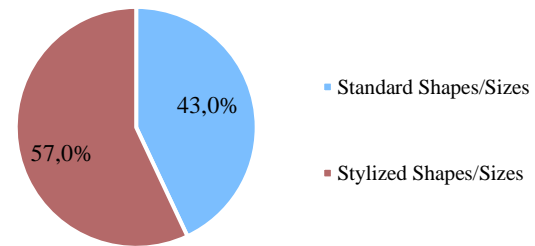
Preferences regarding Label Layout



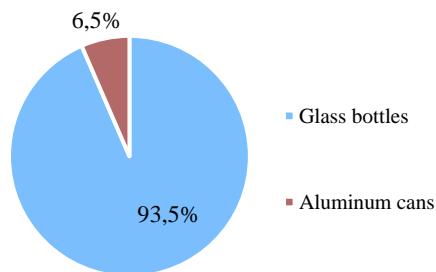
Preferences regarding Label Information



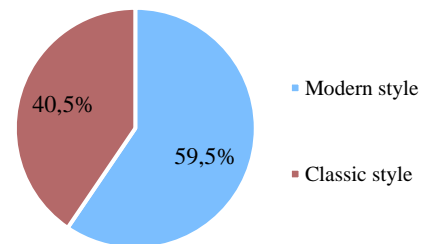
Preferences regarding Packaging Shape/Size



Preferences regarding Packaging Material



Preferences regarding Packaging Style



## Appendix F - Chi Square Tests

### Gender \* Packaging Type Preference Crosstabulation

Count

		Packaging Type Preference		Total
		More modern	More classic	
Gender	Female	73	35	108
	Male	46	46	92
Total		119	81	200

### Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2- sided)	Exact Sig. (1- sided)
Pearson Chi-Square	6,381 <sup>a</sup>	1	,012		
Continuity Correction <sup>b</sup>	5,672	1	,017		
Likelihood Ratio	6,397	1	,011		
Fisher's Exact Test				,014	,009
Linear-by-Linear Association	6,349	1	,012		
N of Valid Cases	200				

a. 0 cells (0,0%) have expected count less than 5. The minimum expected count is 37,26.

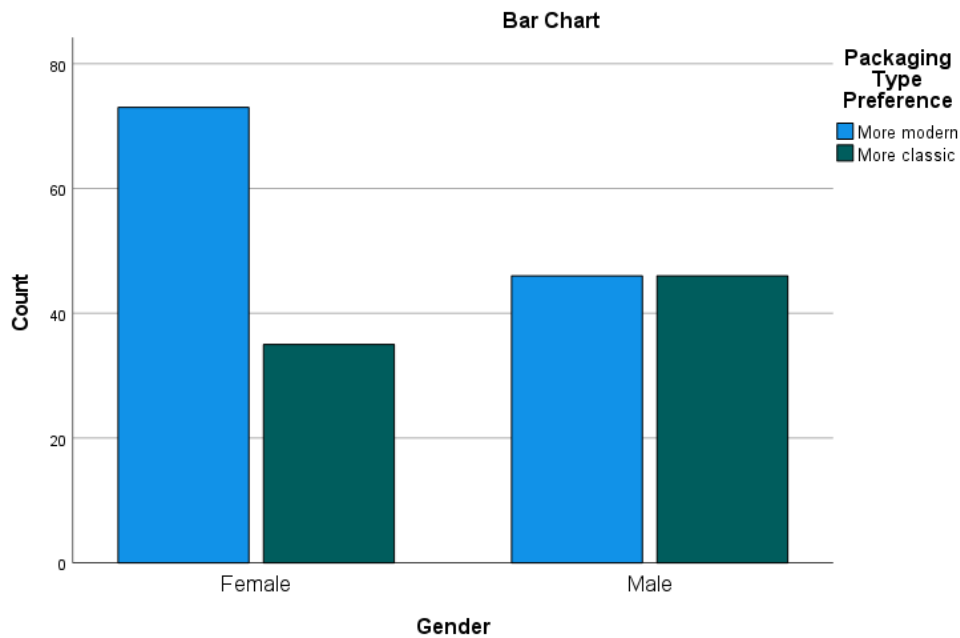
b. Computed only for a 2x2 table

### Symmetric Measures

		Value	Approximate Significance
Nominal by Nominal	Phi	,179	,012
	Cramer's V	,179	,012
N of Valid Cases		200	

### Risk Estimate

	Value	95% Confidence Interval	
		Lower	Upper
Odds Ratio for Gender (Female / Male)	2,086	1,175	3,703
For cohort Packaging Type Preference = More modern	1,352	1,061	1,723
For cohort Packaging Type Preference = More classic	,648	,461	,911
N of Valid Cases	200		



## Age \* Packaging Type Preference Crosstabulation

Count

		Packaging Type Preference		Total
		More modern	More classic	
Age	18-24 years old	57	13	70
	25-34 years old	31	16	47
	35-44 years old	15	17	32
	45-54 years old	12	20	32
	55-64 years old	4	15	19
Total		119	81	200

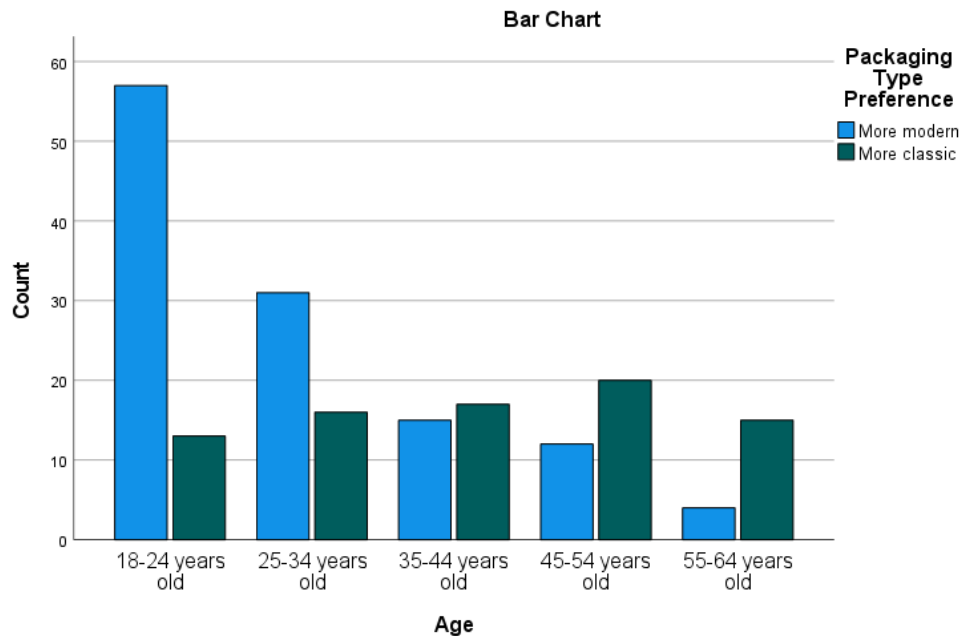
### Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	34,981 <sup>a</sup>	4	<,001
Likelihood Ratio	36,385	4	<,001
Linear-by-Linear Association	34,554	1	<,001
N of Valid Cases	200		

a. 0 cells (0,0%) have expected count less than 5. The minimum expected count is 7,70.

### Symmetric Measures

		Value	Approximate Significance
Nominal by Nominal	Phi	,418	<,001
	Cramer's V	,418	<,001
N of Valid Cases		200	



### Consumption Frequency \* Packaging Type Preference Crosstabulation

Count

		Packaging Type Preference		Total
		More modern	More classic	
Consumption Frequency	Never tried it	22	15	37
	Less than once a month	56	43	99
	1-5 times per month	27	15	42
	Over 5 times a month	14	8	22
Total		119	81	200

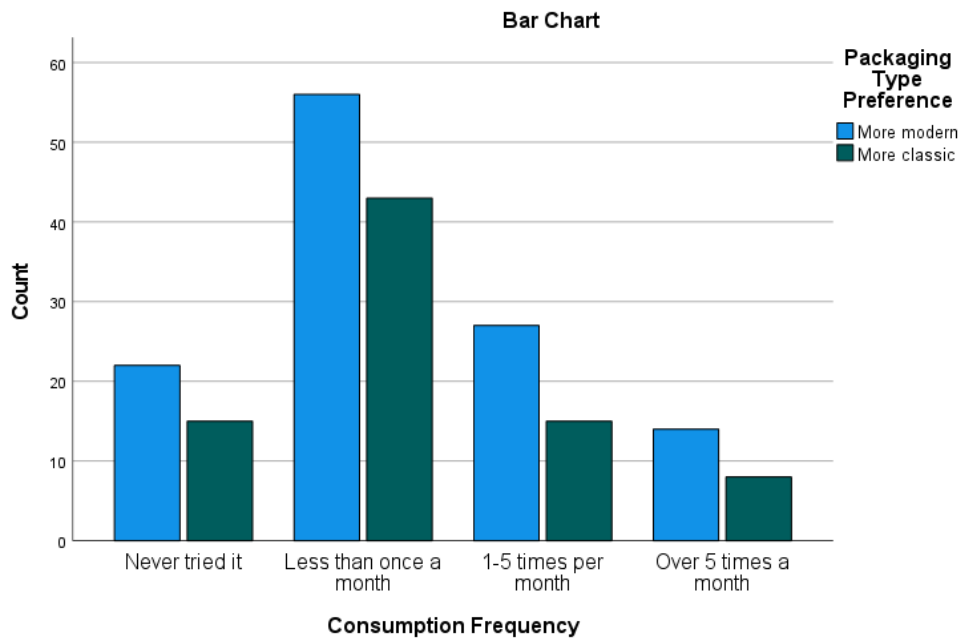
### Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	,909 <sup>a</sup>	3	,823
Likelihood Ratio	,914	3	,822
Linear-by-Linear Association	,394	1	,530
N of Valid Cases	200		

a. 0 cells (0,0%) have expected count less than 5. The minimum expected count is 8,91.

### Symmetric Measures

		Value	Approximate Significance
Nominal by Nominal	Phi	,067	,823
	Cramer's V	,067	,823
N of Valid Cases		200	



## Appendix G - Principal Component Analysis Outputs

### Descriptive Statistics

	Mean	Std. Deviation	Analysis N
Craft Beer Purchase Intention Construct [It's very likely that I'll buy this product in the future]	4,10	,742	163
Craft Beer Purchase Intention Construct [I'd buy this product the next time I went shopping]	3,60	,879	163
Craft Beer Purchase Intention Construct [I think about buying this product]	3,72	,780	163
Craft Beer Purchase Intention Construct [I'll recommend this product to my friends and family]	3,75	,794	163

### Correlation Matrix

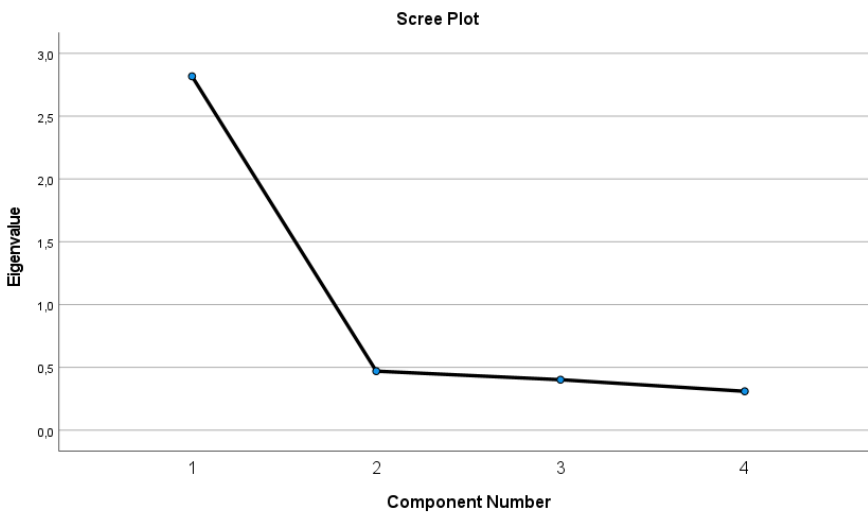
		Craft Beer Purchase Intention Construct [It's very likely that I'll buy this product in the future]	Craft Beer Purchase Intention Construct [I'd buy this product the next time I went shopping]	Craft Beer Purchase Intention Construct [I think about buying this product]	Craft Beer Purchase Intention Construct [I'll recommend this product to my friends and family]
Correlation	Craft Beer Purchase Intention Construct [It's very likely that I'll buy this product in the future]	1,000	,547	,583	,588
	Craft Beer Purchase Intention Construct [I'd buy this product the next time I went shopping]	,547	1,000	,664	,652
	Craft Beer Purchase Intention Construct [I think about buying this product]	,583	,664	1,000	,597
	Craft Beer Purchase Intention Construct [I'll recommend this product to my friends and family]	,588	,652	,597	1,000



### Communalities

	Initial	Extraction
Craft Beer Purchase Intention Construct [It's very likely that I'll buy this product in the future]	1,000	,647
Craft Beer Purchase Intention Construct [I'd buy this product the next time I went shopping]	1,000	,733
Craft Beer Purchase Intention Construct [I think about buying this product]	1,000	,721
Craft Beer Purchase Intention Construct [I'll recommend this product to my friends and family]	1,000	,717

Extraction Method: Principal Component Analysis.



### Component Matrix<sup>a</sup>

	Component 1
Craft Beer Purchase Intention Construct [I'd buy this product the next time I went shopping]	,856
Craft Beer Purchase Intention Construct [I think about buying this product]	,849
Craft Beer Purchase Intention Construct [I'll recommend this product to my friends and family]	,847
Craft Beer Purchase Intention Construct [It's very likely that I'll buy this product in the future]	,804

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

## Appendix H - Reliability Analysis Outputs

### Item Statistics

	Mean	Std. Deviation	N
Craft Beer Purchase Intention Construct [It's very likely that I'll buy this product in the future]	4,10	,742	163
Craft Beer Purchase Intention Construct [I'd buy this product the next time I went shopping]	3,60	,879	163
Craft Beer Purchase Intention Construct [I think about buying this product]	3,72	,780	163
Craft Beer Purchase Intention Construct [I'll recommend this product to my friends and family]	3,75	,794	163

### Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	3,794	3,595	4,104	,509	1,142	,047	4

### Item-Total Statistics

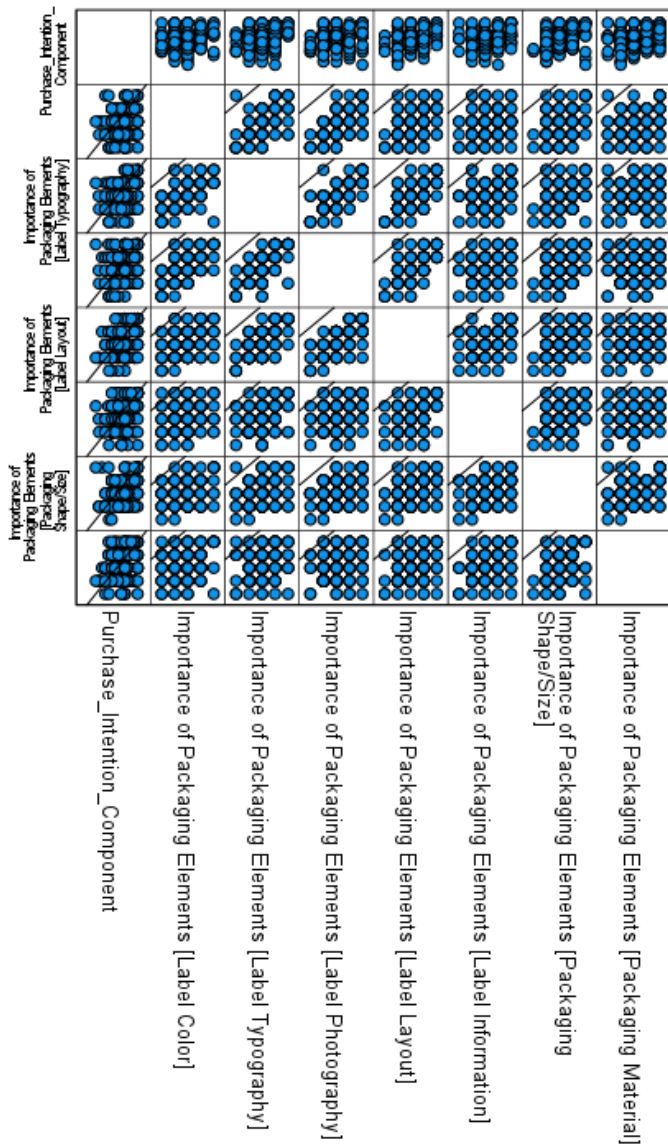
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
Craft Beer Purchase Intention Construct [It's very likely that I'll buy this product in the future]	11,07	4,575	,656	,439	,840
Craft Beer Purchase Intention Construct [I'd buy this product the next time I went shopping]	11,58	3,899	,730	,550	,811
Craft Beer Purchase Intention Construct [I think about buying this product]	11,45	4,274	,721	,527	,814
Craft Beer Purchase Intention Construct [I'll recommend this product to my friends and family]	11,42	4,233	,717	,519	,815

### Scale Statistics

Mean	Variance	Std. Deviation	N of Items
15,18	7,209	2,685	4

## Appendix I - Multiple Linear Regression (Assumptions' Outputs)

Assumptions regarding Linearity in the relationship between variables



### Correlations

		Purchase_Intention_Component
Purchase_Intention_Component	Pearson Correlation	1
	Sig. (2-tailed)	
	N	163
Importance of Packaging Elements [Label Color]	Pearson Correlation	,094
	Sig. (2-tailed)	,234
	N	163
Importance of Packaging Elements [Label Typography]	Pearson Correlation	,174*
	Sig. (2-tailed)	,027
	N	163
Importance of Packaging Elements [Label Photography]	Pearson Correlation	,143
	Sig. (2-tailed)	,068
	N	163
Importance of Packaging Elements [Label Layout]	Pearson Correlation	,293**
	Sig. (2-tailed)	<,001
	N	163
Importance of Packaging Elements [Label Information]	Pearson Correlation	,199*
	Sig. (2-tailed)	,011
	N	163
Importance of Packaging Elements [Packaging Shape/Size]	Pearson Correlation	,202**
	Sig. (2-tailed)	,010
	N	163
Importance of Packaging Elements [Packaging Material]	Pearson Correlation	,178*
	Sig. (2-tailed)	,023
	N	163

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

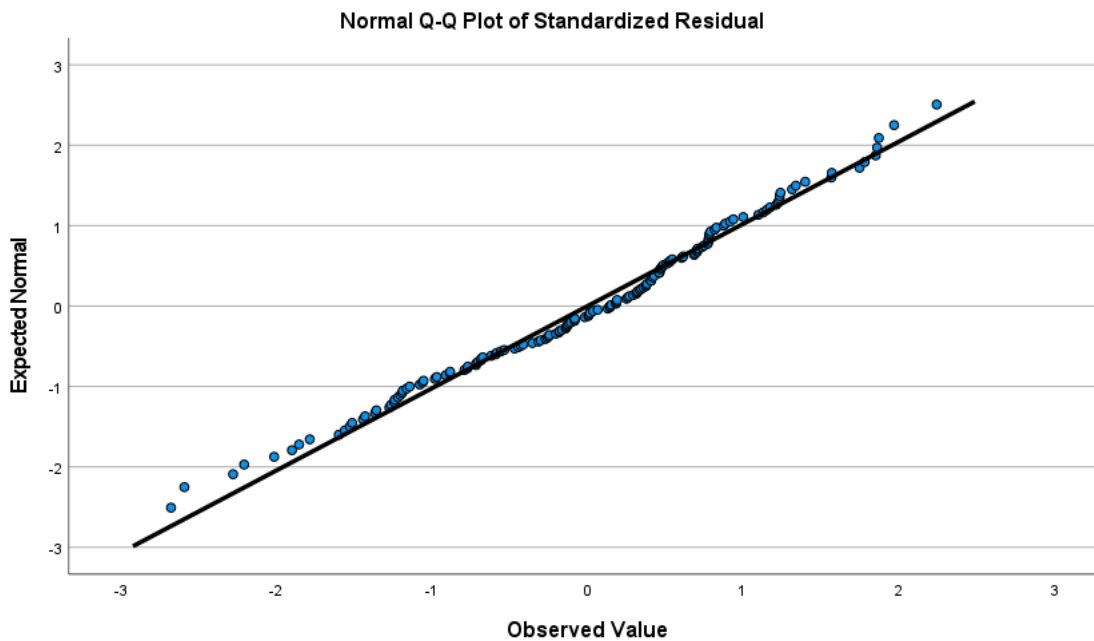
\*\*. Correlation is significant at the 0.01 level (2-tailed).

Assumptions regarding Residuals/Errors

**Tests of Normality**

	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Standardized Residual	,068	163	,062	,986	163	,113

a. Lilliefors Significance Correction



**Residuals Statistics<sup>a</sup>**

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	-,8117846	,7306094	,0000000	,32960643	163
Residual	-2,58309412	2,16581035	,00000000	,94411843	163
Std. Predicted Value	-2,463	2,217	,000	1,000	163
Std. Residual	-2,676	2,244	,000	,978	163

a. Dependent Variable: Purchase\_Intention\_Component

