

MARKETING MANAGEMENT

UNIT-2

PART-VI

LABELLING

Labelling is the display of label in a product. A label contains information about a product on its container, packaging, or the product itself. It also has warnings in it. For e.g., in some products, it is written that the products contain traces of nuts and shouldn't be consumed by a person who's allergic to nuts. The type and extent of information that must be imparted by a label are governed by the relevant safety and shipping laws.

Labelling is also an important part of the brand of the product and the company. It helps the product stand out in the market, and identifies it as a part of a particular brand. This is important in the era of high and intense competition.

Importance of Labelling

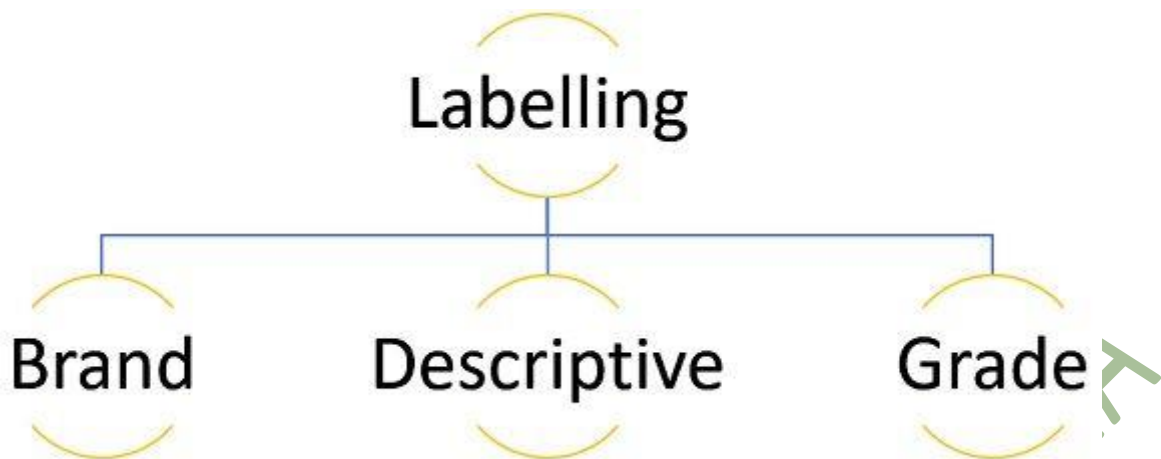
Labelling is an important part of the marketing of a product. Labelling is essential as it helps to grab the attention of a customer. It can be combined with packaging and can be used by marketers to encourage potential buyers to purchase the product. Packaging is also used for convenience and information transmission. Packages and labels communicate how to use, transport, recycle or dispose of the package or product.

Labelling is also used to exaggerate the product. Also, it is used for identification. This kind of labelling helps a viewer to differentiate the product from the rest in the shelves of the market. A person can find out about the ingredients of a product. This helps to spread awareness among the customers about the item they are consuming and labelling also helps to mention ingredients.

Labelling is another very important factor in a product. It should show the correct information about the product. This is all the more important in products such as pharmaceuticals. Labelling should also contain information relating to whether the product has harmful chemicals, especially if it is a product that is meant for children.

Types of Labelling

There are different types of labels:



- **Brand label:** It plays an important role in labelling as it gives information about the brand. It can be removable or non-removable.
- **Descriptive label:** It specifies product usage.
- **Grade label:** It describes the aspect and features of the product.

Functions of Labelling

The different functions of labelling are as follows:

1. **Defines the product and its contents:** A label is informative about the product's usage and caution to be taken while using the product. **Example**, Red Label Natural Care tea mentions five ingredients in its label that provide immunity.
2. **Recognition of product:** Labelling assists in the identification of the product. **Example**, the brand name of a chocolate will help one choose from the rest of the confectionery items available.
3. **Assorting of products:** It means classification or grading of products according to different categories in the market. **Example**, shampoos are categorized as dry hair, normal hair and oily hair types and cater to consumers in the market with the dry, normal and oily scalp, respectively.
4. **Assists promotion of products:** It gives the customer the reason to purchase the product. **Example**, it attracts the attention of the consumer by displaying messages such as '20% free' or 'save rupees 15' message in potato chips packet.

5. **In compliance with the law:** Labels should strictly abide by the law. **Example,** for tobacco, the label should mention 'Tobacco is injurious to health'. Cigarettes also should have 'Smoking is injurious to health' as the statutory warning on its package.

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