CHAPTER 5

GLOBALISATION

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5.1 Introduction

Small scale industries has been playing very unique and successful position in India economy growth and way forward plan. Small Scale Industrial sector is considerably doing well in various sector like employment generation, technology transfer, export promotion, entrepreneur ship creation etc. Globalization policy is working as facilitator to ease to do business and help to remove all unwanted trade process and policy hurdles to reach out global transformation. Globalization promote local trade, cross culture derivative, health standards, education and procedural standards etc.

Internationalization and liberalization are out come result of Globalization.

Globalization is the process of collaboration and transformation of various filed like Goods and services, capital, labor capital, various manpower etc. which ensure smooth flow or transits of the global requirement or need. Globalization lead fair competition between buyer, seller and it set up president as well as bench mark for all kind of commodity before introducing or after jumping into the markets. Small Scale industries performing dominate part in India industry sector and with help of globalization scenario these industries contributing major socio – economical balance.

Worldwide it has been accepted that small scale industries are growth engine for any economy as well as its work as backbone of industries. Small scale industries are covering almost 45 percent of industrial gross value. It has been notices that small scale industries are increasing very rapidly, during last five year planning small scale industries are taken up very well in globalization environment and it has emerged as highly vibrant and dynamic sector of economy. Small Scale industries contributing about forty percentage of manufacturing which is around 80 percentage of manufacturing job creation as well as thirty five percentage of total exports. Small scale industries producing around 7500 various products in 32 lakh units put together. Small scale industries are providing readymade skill labor to large scale industries with less salary. With the help of globalization small scale industries can easily reach out to non-urban area or rural location with advance technology and concepts.

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Before reform process began in year of 1991, all effort has been made to create restriction to small scale business to outside of the world. To start up the business before reform session small scale industries need to satisfied almost more than 80 various authorities and permission and it was end up with prices discloser and various planning discloser before the public or various agencies. Which keep small scale industries reluctant from instrumental as well as financial growth.

In the year 1991 balance of payment crisis push country close to economic and financial crises. As part of International Monetary Fund bailout and Rupee devaluate India has to transfer gold to London as part of collateral agreement. And India reform with Liberalization, privatization and Globalization policy to overcome from crisis. During this phase and to take the advantage of such organization global economy was open to attack so to take precautionary measures India start developing small scale industries to match up global requirement which help to generate positive GDP thru out the year. As part of the planning phase agencies targeted to reform the small scale industries from socialism to capitalism to that high economic development and human standard are increase which was prime object of the agencies.

Various controls initiated to dismantle like changes in customs and excise tariff to favor globalization. Duties and taxes are progressively getting lower to compete global industrialization and to break the state monopolies among the states and various burocrative nature. The economy was completely open up for trade and various global investment. Private and public sector has to face good and fair competition among the global market player to sustain and adopt next generation training session. Globalization start involving and penetrate across the all states and industry with advance feature and techno commercial asset which was one of the most distinctive human innovation in country. Accordingly the prime market ie human societies are geared up to take the advantage and various market adjustment. It was big change in the India economy and market strategy. Indian society and industries has very unique view and overcome power to such situation, restricting the possible environment to match up the desire requirement to global leads. Due the globalization demand of industries and we well as supply to industries started growing up very high potentially. The terminology globalization has
startup with intention to gain more positive exchange these forces can be evidence of trend back end of the middle ages in Europe.

Globalization trend and effect was not so much attractive for India society as it was one way traffic, society and people reluctant to move from their domestic’s effect to international space. So apart from parasi most of the religions reluctant to move and survive among the international environment. Long distance international trade always happen and restricted up to luxury goods and innovative products. But since globalization all idea and technology started floating across with world and the powerful communication and technology established.

As per modern history there are four phases of globalization to start with first phase its being in the sixteenth century with allocating of pre modern localism and improvement in maritime technology and various development to safe guard boarder security and forces. Maritimes mercantilism developed and moving towards innovating shapes and exploring Maritimes idea and centralization tendency start growing since then.

Phase 2 as industrial revolution era in late eighteenth century. This revolution was extraordinary and major improvement in technology world. Which resulting mass demand of production and productive. Human and instrument start moving from one geographical location to another location anticipating various demand in all the industrial and human require area. Industrial resolution start growing very fast way, and rapid growth and income gap are start increasing during this period, the better way to describe this movement is industrial revolution increasing biggest gap between income group we can say Europe and America on one hand and rest of the world on the other hand.

Third and fourth phase globalization start with slowly and studiedly integration of economy with help of free transaction of goods and services which has really good impact on the economy of both developing countries as well as developed countries too. Globalisation is become a process of growing intercountries world. Thus globalization is an era where world become changing as global village in respect of industrialization and economic development which resulting into one part of the globe are affecting significantly across
the globe. So it become necessary and mandate to become active participative role of India in Globalization process. The New India economy policy of 1991 is with objective of globalization and to make India more competitive and much better collaborative integrated with rest of the world so that India can become best place during globalization integration. The part of this policy make sure that long term as well as short term plan for liberalization take place with right direction and right time. Accordingly all corrective action and procedure in India Manufacture industries can be taken place. The dynamic of this policy come true and Indian industries can see lot of growth and drastic changes technology and industry significance transfer, it start with good amount of inflow of technology, machines, innovative idea, literature etc and out flow of culture, human and various ethic oriented stuff. Globalization is help not only to transfer the technology and ideas but it helps to reduce down the cost of various day to day products which make human life healthier and ease. Globalization lead to fast and effective supply of goods and services to growing population. So over all globalization is come up with lot of benefit and faster economy game changer for India. As far as challenges are concerned, globalization are having their own challenges and it may be viewed as problem in various developing country like India. While announcing globalization and liberalization policy and drafting various process as well as formation of world trade organization Indian Small scale industries need to be more competitive and to face the globalization challenge Indian Small Scale industries need to upgrade its technology, need to innovate and capitalized advance and modern marketing style, need to developed best practices with in the management. Small Scale Industries need to improve on quality of it product to become more competitive in global environment.

In early nineties liberalization process introduce in developing countries which followed market desire polices along with the widening the vision of GATT as well as the same time it support to formation of World Trade Organization in year 1995. Globalization recognized and represent interdependent economy of the world resulting into global trade and supply, global industrial production and financial investment. Globalization extent beyond economic situation it help to extent the information technology. Globalization is transportation phenomena which reduce the distance between various countries by
providing various trade agreement as well as licensing relaxation among the trade, quantity, value as well as natural resources. This represent complete world changes and can trade the commodity without any trade barrier as well as border. Globalization is interrogation of two different economy and immersing into one entity and vision. At micro level pressure of quality, business enterprise as well as heavy sale competition. As far as macro level concern various countries are below the line of globalization, liberalization and privatization which won’t allow them get more foreign direct investment into the country so it won’t be easy movement of globalization towards such countries. In this context there would be heavy risk on price shifting pattern as well as consider trade amount developed countries. Bretton woods conference which was held in year 1944 for new international economic level expectation and setting level has recommended setting up of International Monetary Fund (IMF) which will have prime responsibilities to deal with currency exchange as well as balance of payment issues. Also recommended World Bank originated name International Bank of Reconstruction and development to work on various trade and international business related issue of reconstruction, development and training on international trade. International Trade organization (ITO) to deal with international trade issues among the organization.

From 1st January 1948 General Agreement on tariffs and trade (GATT) and started providing a structure for the trading relationship as well as rule system introduce. So that unilateral action and procedural framework for removing various trade barrier across the global trade.

During eight round of World trade organization forum GATT was set up in place in year 1995, the prime focus of this forum of this set up was to develop the cooperation among the various global trade institution like International Monetary Fund, World bank so that it can product good output on trade platform. The Uruguay round introduce fundamental reform structure. As describe prime focus of GATT is to ensure smooth trade operation across the globe. Hence first initially during first seven round more focus on assurance of removing all trade barrier like stream lining the tariff and indirect taxes. It serve as strengthened the GATT rules on trade in trading goods, encouraging the new commodity / product in ambit of trade organization, extended trade rule to cover services, all trade related property rights, various investment measures as well as to committee vide range of
product and services. Structuring power full and open ranging of commitment to trade liberalization. Encourage most of country to arrive in ambit of GATT rules and regulation to carry streamline trade across the world. This Uruguay round list 60 agreement, decisions, annexes and understanding and these catagories into four different main parts i. WTO agreement establishing ii. Agreement covering (Goods and services as well as intellectual property rights) iii. Settlement of trade disputes iv. Government trade policy revival. After this World trade organization discussion and negotiation has expanded to cover the issue apart from trade like child labor, environment, and human standards in Seattle ministerial conference in year 1999. GATT cover various agreement and deal during various forum and meeting.

**Table 4 - Various event of GATT**

<table>
<thead>
<tr>
<th>Year of GATT round</th>
<th>Number of Countries &amp; Venue</th>
<th>Meeting result</th>
</tr>
</thead>
<tbody>
<tr>
<td>1947</td>
<td>23 countries - Geneva</td>
<td>GATT agreement signed with Item negotiated on tariff level with 45 k tariff line concession.</td>
</tr>
<tr>
<td>1949</td>
<td>29 Countries – Annecy</td>
<td>Tariff reduction on specify products with negotiation on line by line</td>
</tr>
<tr>
<td>1950-51</td>
<td>32 Countries – Torquay</td>
<td>8700 item reduction upon tariff level discussion</td>
</tr>
<tr>
<td>1955-56</td>
<td>33 Countries – Geneva</td>
<td>Modify tariff reduction</td>
</tr>
<tr>
<td>1960-61</td>
<td>39 Countries - Dilon</td>
<td>Describe tariff and 20% cut in customs duties on manufacturer</td>
</tr>
<tr>
<td>Year</td>
<td>Countries</td>
<td>Round Description</td>
</tr>
<tr>
<td>-------</td>
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</tr>
<tr>
<td>1963-67</td>
<td>74 Countries - Kennedy</td>
<td>Valuation, antidumping, average tariff reduction around 35% by developed countries and around 30k tariff lines bound agreement on anti-dumping and valuation</td>
</tr>
<tr>
<td>1986</td>
<td>103 Countries – Uruguay this expand by 117 by end of 1993</td>
<td>Various process improvement stuff like pre-shipment inspection, Country of origin ruling, trade investment, Trade dispute settlement. Agriculture, textile and clothing brought into GATT, WTO</td>
</tr>
</tbody>
</table>

Table 4 Describe outcome for various round conducted by GATT organization with help of WTO. Initially in the year 1947 there were only 23 members ie countries are involved into the GATT but eventually the industries as well as global trade organization released the importance of GATT as well as world trade organization. At the end of 1993 there were around 117 members / Countries associated with GATT.

These various round of discussion help to resolve various trade disputes as well as removal of various trade barrier by streamlining the process. New terminology like antidumping duties, valuation method, duties reduction, streamlining duty pattern. GATT play major role which help developing countries like India to keep their foot with strong evidence of positive achievement and business growth as well as opportunities. Reduction of duty, uniformity on duty structure as well as stream line on duty structure. GATT put major effort to stream line the trade barrier and process which help developing and developed countries to shift their focus towards globalization. GATT help small scale industries to enter into new market as well as to support to emerging new global organizations.
5.2 Definitions

Globalization is the process of Multinational collaboration as well as integration developed from exchanging the Idea, products, traditional and cultural aspect. Globalization is the advancement and interchange of technology, infrastructure, and education and build an interdependence trade, culture and other economic activities.

Globalization is part of marketing who create the desire market of all kind of essential goods and services. Globalization work as salesman for various kind of commodity ready to cater market. Globalization is a revolution which change complete dynamic of the industries and economy. Globalization help to compete the developing countries with rich and developed countries.

While defining the globalization many question come to mind, like Does globalization means speedy movement of people which resulting high interaction among the countries? Is it the effect of Information technology result which outcome IT people communicating each other? Can say globalization is all about product easy and speedy product availability? Does it mean people using their rights to get their choice form commodity and lifestyle easily from any part of the world? Does it mean mankind need are increase and now human want to see and work in global platform or environment? Is it part of singular market pattern?

So with this lot of questions are still unanswered but still few definition are worth to consider.

“Reduce down the cost of transaction of boarder movement of capital and goods which is supporting factor of production” Stephen Grill.

“The process of globalization not only includes opening up of world trade, development of advance communication, internationalism financial market, population migrate, growing significance of Multinational companies and more effectively increasing mobility of goods, services, data and idea as well as diseases, pollution and infections” Brianbant Guy

The terminology named globalization has been rapidly used the mid-1980. Though lot of researcher says the bourn of globalization in modern era, trace its history long before the European discovery and voyages to the new world. Few evidence help to understand that the globalization initiated in the 19th century. In the end of 19th century and being of 20th
century, the communication respect of the world economy and cross cultural grown up very speedy. As part of globalization aspect International Monetary fund in view of below various basic aspect.

Capital and investment, trade and transaction, movement of the people as well as sharing and distributing knowledge such as climate change, cross boundary environmental challenges etc. Globalization connect with Soil, air and water pollution as well as over fishing in sea is also part of same aspect. Globalization is process of outcome or affect which are affecting by components of business, work culture and work organization, natural environment and socio cultural resources.

World war two May learning curve where the birth of globalization took place and that may be the initiative to remove the trade hampering barrier from list. Globalization is also be driven by multinational business giant whom want to expand their business across the border to get good profit out of it. Most of the companies in USA and Europe in view of that. Movement of technology like telecommunication, Information technology, Science as well as medicated equipment and technology Globalization help to develop and grow of transportation and languages influence role in modern globalization era.
The institution like International bank of reconstruction and development known as The world bank and the International Monetary Fund support and facilitated to cost down the relative factor to reduce down the cost upto mark as well as with the help of GATT all unwanted hurdles has been knocked down.

5.3 Benefit of Globalization

It always say that arguing against globalization is nothing but arguing against law of gravity. Growth of Globalization has definitely developed confidence in trade. Globalization has created unique and interdepend able market to shop the desire product at any time. We can say Globalization has created benchmark for single window purchase of goods and services. Globalization provide strong GDP growth as well as strong economic
growth in underdeveloped regions which can with explain or describe with help of below few points.

i. **Wealth Generation**:
We can see the non-globalized economy in year 1960 was use to grow at very slow rate of 1.4 percentage per year but whereas the number of growth in globalization phase is very high which is around 4.7 percentage per year which is more than 4 time of non-globalization phase. So it say without saying globalization has more significance than non-globalization. One more interesting point to note is that if we sub classify relation of globalization and GDP in developing countries the ratio in year of 1990 had 5 parentage growth compared to only 2.2 percentage growth in economies annually. This benefit of comparison is really effective growth toward industries in small scale by getting good opportunities to serve large scale industries. The growth of small scale industries are gone up significantly. Globalization provide readily available market to small scale industries to serve their good more promptly. In India government provide good amount of policy support to small scale industries in India so that even in globalization phase Small Scale industries could groom up well with increasing wealth pattern. Globalization help to expansion of small scale industries and help them to come or convert into big industries. Globalization came up with huge foreign direct investment this help to get the boost the small scale industries along with technology.

ii. **Development of politically tie up**:
Globalization help to developed corporate as well as politically relationship among the countries. This philosophies with base on two assumptions as these politically behavior represent on overall development on high range of living standard and second that the relation between globalization these principle is significant. These assumption help to increase the job opportunities. Increases of global civil society in one of the greatest achievement of globalization. It help to take various step to reduce down various political barrier towards business development. Small Scale industrial supposed to take various approval and number of licenses the day globalization come in picture and due to GATT,
WTO pressures all politically interference has been removed from this company formation activity.

**iii. Improved leaving Standard:**
Globalization oppose by religious as well as social activists with various argument of destroying religious power and tradition. Globalization is with vide argument of availability of goods and services as well as ideas too. The positive impact of the globalization is to make availability get all expensive article and lifestyle equipment easily available with reasonable rates. Few of them listed as below

- Easily availability of loans or financial assist to buy expensive product like car
- Opportunities and growth in global travel and tourism sector
- Much more opportunities to get and job assistance in global platform under law of foreign worker immigration policy.
- Ease available of goods and services at door steps
- Higher consumption of worldwide entertainment
- The fastest movement of consumer durable and various well-known brand

Globalization help to develop and share all communication media and information technology which help to develop the human being life style more attractive and peaceful. Globalization help to society to developed life as well as work of people, families as well as societies. Its increases income level as well as social protection etc. Globalization help to improve gender diversity, India was male dominated country as part of demographic effect it help to improve female participate into industry and various other work position. Globalization make society to think on global lifestyle and comfort.

**iv. Foreign goods availability:**
Final discussion and argument to support globalization is benefit on how the foreign goods availability is useful to improve country or domestic level desire. With help of exchanging knowledge it use to apply and save life in various sector like hospital instrument, geographic location dangers zones, traffic situation etc. Its allows some to eat Italian food
in India and same way that American can enjoy Indian wine in sitting in USA easily. Globalization allow easy and free movement of technology and various significance aspect as well as social factor. Globalization is large amount of sales and exchanges resulting in continuous growth of the GDP. Globalization provide more level of empowerment to individuals and political systems by way of gaining additional resources and funds. Annual average growth of Small Scale industries prior to globalization was 4.07 percentage whereas it’s gone up post globalization which comes around 9.36 percentage.

Various new industrial opened as raw material easily available as well as desire technology is available to run the desire business lines. Globalization is really helpful to transfer the knowledge and get the advantage out of this.

5.4 India Role in Globalization

India has very low visibility in global front in all aspect like economic status, industrial and educational sector etc. India always been viewed as predominantly as poor under developing country. However since globalization and liberalization India groom up well in International Market from last two decades. It very difficult task to improve stake and status of India in front of global task, various research has been conducted on this to understand modus operandi. India always been healthy leader in South Asia so it’s always welcome move for USA and Europe to encourage and have partnership with India in various industrial as well as globalization front. In 21st century always be in favor of India and China as both are immersing market as faster developing economy in globe. At the closer of end of cold war as well as developing impact of globalization help India to reposition them self well manner in Global role.

Since the economic globalization and liberalization takes place in year 1991, the rate of growth is 6-7 percentage per annum and India presences across the globe is slowly and steadily visible. India emerge in global market with two different identity one is a one of the largest democracy and second one is one of the largest growing economy. As to access India from post-independence we can see India was actively participate in the Global forum and actively engage in various global institution like United states organization as well as
leading nonaligned movement this is purely due to Jawaharlal Nehru India first Prime Minister long term globalization.

India was not only the regional power but it’s very close to global power of the world. Post-cold war global politics equations, security and business are completely changed as well as the relation among the various country has been changed. In the year 1998 nuclear testing in India and continues growing economy has changed perception about India on global forum. India is still continues it growth forecast as developing country to developed country. In the belt of Asia, India and China are two major countries were emerging as high GDP so they are supper power nations. China has shown their super performance in hardware and infrastructure development where as India significantly grown up in software sector. India with it good legal structure, good financial system, good banking infrastructure and top most important is India got talent of young population with well educations with these all assets India become new emerging power in the world icon. Compare to China, India is able to deliver the economic growth for longer time and longer term. In a global scenario after 9/11 terriest attack the global equation of politically as well as economically completely change. USA and Europe now get very closer to India so that they can jointly fight against terrorism and it being of new global trade relationship among the global countries. The trade policy at the time of cold war are drastically changed and improved as well as various bilateral agreements among the countries are arises more value added. In the globalization era India, China & Japan are prime key economy players whereas USA is the most dominated as outsider stake holder in the region followed by Russia. The business and various key engagement of India in South Asia as well as Asia region can be view as four different set of ideas and relationship. 1st we can say there is boarder relationship in region of South Asia where India has shared a border with six different countries ie Nepal, Pakistan, Bangladesh, Bhutan, Maldives and Srilanka which is together form a constitution of South Asian Association of Regional Corporation (SAARC) because of the major area and major stake in population, history as well as civilization role India is undisputed leader of South Asia region. Very recent Afghanistan offer to join in the SAARC committee. Regional level of politics with few of neighboring countries and few of other conflict resist south Asia to immerge as global power.
Second set is with the relationship with major economy holder countries like USA, Europe, Russia and Japan influence politically strategy to engage equal business opportunities in India as well as China. Most of the analysis in opinion as India is counter balance for China in term of economy. However USA and Europe has already recognized India as their strategic partner for business and economy.

Third set of aspect relation explorer business network with South East Asian countries. As West Asia & Central Asia intent to increase the business with India, this further extent the support in Indian Ocean area.

4th set is the business tie up with Latin America, where India is actively participate its energy requirement. India potentially to play global leadership and economical partnership. Globalization is the advance key word that has dominated whole world since nineties at the end of the cold war. The breakup of the soviet union of the state globalization is increasing demand and confidence in the global market. With help of increasing finance/capital in global environment as well as major interference by World Bank and other various international organization help to developed confidence on globalization market. Globalization always support to get various new opportunities in global market. It’s always help to get better access to developed countries and immediate transfer of technology which improve standard of life. Globalization always come with various challenge like imbalance growth across the country inside and outside too. Till nineties there were lot of hurdle to expose the country in global environment but upon LPG policy implemented various restriction has been removed out.

India started global economy in early nineties when there was major crises of balance of payment, exchange crunch which really got down India economy in major crises and close to heavy defaulting loans. Hence new policy open up with pushing all major to attract global investor as well as increases the exchange to pull out Indian economy from crises. Major initiative by LPG policy by scrapping of the Industrial licensing requirement, removal of public sector stake as well as authorities in various area, revised all prohibited product list and trade practices act. Reduction of tariff rates start off the privatization industries era and initiative the market determine exchange rate. Over the period liberalization and privation effect can seen. Various current business getting shift towards
the privation and more of the foreign direct investment and portfolio invested in various area of globalization like road infrastructure, port development, aeronautical telecom, insurance and other various major sector.

The various changes can be found out in tax structure too as tariff rates reduced drastically over last few years which was around 72.5 percentage in the year 1991-92 to 24.6 percentage in 1996-97 and in the year 2015-16 it slow down to 7.5 percentage. This effect also give boost non-tariff barrier as globalization helps to remove quantitative restrictions. Globalization developed healthy competition across the global market, it allows free flow of capital goods and technology among the market. During the globalization process India government understand the significance and possible effect to small scale industries hence a separate policy has been announced for small scale industries. The major feature of small scale policy of 1991

- Credit shifting from Cheap to Adequate level
- Both domestic and foreign equity upto 24 percentage
- Bank factory services
- Common branding for mass consumption
- Subcontract exchanges set up
- Separate technology development cell
- Opening technology information centers.

With this globalization can be define as the process of changes, developing intercommunication and connection among the countries and economics bringing world closer through good transportation and trade links. A lot of Multinational organization who do not have time and energy to create their own industry and organization infrastructure they buy those small scale industries. This will help to grow the small scale industries and convert into large scale industries but the same time very tiny or micro business like bangles, agarbatties, and pickles would have constant demand to cater the large and MNC.

So we can conclude that both globalization as well as Small scale industries are significantly importance to develop Indian economy and government need to focus more to nurture these prototype. AS soon as globalization put this word in agenda its like small scale industries empowered the common man to walk with same pride with the adding globalization wings to fly.
Small Scale is being very strategic role in India economy view of employment and production consideration but post globalization these industries find themselves in high level competition. Due to this domestic economic liberalization and dilution of sector protective measures, as a result development and growth of this sector interm of employment generation as well as export are drastically come down which resulting less contribution towards national income and export, lack of credit flow which out together in inferred quality as well as low production. At the same time new international and domestic policy has been introduced which is an opportunity to transform the industries into new era with modern technology. Various Chinese small and medium enterprise are keen to set up their manufacture bases in India to take the benefit of the lowering production hand and labor cost

5.5 Packaging in Globalization era:

Role of packaging in globalization era is very unique and more demanding. Supply chain does have very difficult challenge of packaging after globalization to move the product from bench to bench. Globalization is nothing but availability for every product at given time at any part of corner in the world, mean the product which has manufacture in India may be demanded in part of Norway and to make this product available in Norway’s shop, product need to travel multilevel transportation mode it may be rail, boat, truck or flight. To keep such kind product safe pre transportation and post transportation is the biggest challenge so proper and intact packaging is only mode to safe guard the product for longer time. Proper packaging is sign of good branding and vice versa good branding is sign of good packaging. So keep the brand in market for longer and effective then one has to adopt good packaging the product in international market. During the post globalization phase the supply chain does have two challenges one is to deliver the branded packaging thru diversity of international supply chain system and second would be risk management to prevent the goods from damage during transit. Effective packaging is mandatory in globalization environment to communicate customer and maintain the integrity. So that the packaging design should be initiate with not only keep customer interest in mind but also
the situation of ground handling team and transportation mode. A good and flexible packaging always provide upper hand and lead time to cater and deliver the product on time with lowest possible cost. The design of production standard will be include Critical to Quality (CTQ) and input must be taken from the customer or end user. Listen to customer and understand what need of customer and which is more important to them and need to develop packaging appropriate control to make sure that the product and packaging meet the customer expectation. It is always recommended while designing the product packaging the correct and least person opinion need to be taken in consideration so that design drafting can be done accurately. In globalization world packaging shapes decide shopping behavior, product satisfaction and it helps to motivate the customer. Good packaging always work as agent who make influence to buy the product repetitively. As per global survey across the world countries like China, Brazil, Germany, India, Japan, Turkey, UK and USA say that retails and brands can do extra ordinary sale if they can do the good packaging. The level of customer satisfaction is being decided by measuring various parameters like quality, product price, quantity of product, demand, competition and packaging of product. Around 75 percentage of branded product always give preference and 71 percentage importance to packaging. India customer agreed the packaging is the great impact on their pattern and behavior of shopping, and it always encourage to purchase or shop same product again and again. Research say around 65 percentage of Indian customer tried something different and innovative product only because of attractive packaging and branding. Globalization lead to online sale and good attractive packaging always temp customer to buy online branded products.
Figure 9 Packaging impact global consumers

![Packaging important to overall product satisfaction](image)

Source: Business wire, Packaging Matters 2014

Figure 9 (1) shows the significance of packaging in global environment. As per study it is understood that overall 40% customers from various countries appreciate packaging is best tool to overall product satisfaction. The highest vote received from India, Turkey, Brazil which is 70, 70 and 60 percentage each whereas of Russia and South Africa people gives the importance 42 percentage each. China, Germany and UK are 38, 26 & 21 percentage respectively and finally US and Japan are just below 20 percentage overall product satisfaction. With the help of graph we can see the product packaging is critical action for any industry to survive in global market and competition.

5.6 Global Innovation in Packaging:

Innovation take place as per product packaging demand at the same time goods safety and product preservation is also need to consider fact about innovation. Packaging is challenging job where as it design and innovation need to consider in point of transits and various phase packaging move thru. In globalization world package move anywhere in the world. So while the movement it undergoes various

Different kind of environment and culture and as protection is prime role of packaging these things need to consider while making any innovative packaging.
We can describe product vise packaging for example if the product is liquid/milk then we required either container or bottle at each stage of product transportation from cow to till its reaches to customer. So here in this example it is not possible to keep cow at every store or display so that customer can go and buy. Packaging it is not possible to deliver the goods. Looking at growing demand of milk into market and there was need of bulk packaging to cater the product across the globe and with perishable caution container, hence such kind of container is developed which called a ‘churn’ which help to prepare variety of different products out of milk at the same time it’s very handy to carry the product/milk from one place to another with hygienic ways. Identical packaging container were also used for retail delivery to customer and with this milk being available with road side vendor as per their requirement and time. Glass bottle has been introduce then after as model of milk or liquid distribution across the globe and it was more popular and demanding being best hygienic product distribution model and demanded by retail sector too. This sector was remain unchallenged until year 1933, then the first carton made of plastics for dairy industrial has been introduce. Which was prefer to carry milk safely with low transport cost, well hygienic and more ever it can easily reach to customer by any mode of transportation. So innovation in global platform is all about demand and suitability of transportation.

The term globalization is hand in hand as well as favorite word of world of packaging, for packaging industries globalization mean different thing for different to translate everything in tangible terms. Globalization can also be consider as challenge to convert into high level and accurate packaging to cater the world. In term of packaging the globalization can be defined as is process of design the packaging which can cater globe to fulfill their requirement. Globalization open all the opportunities in domestic as well as international levels to fine tune and match the additional requirements.

As per WPO vision “Better Quality of life, through better packaging, for more people” Food wastes is common in every society so with help of packaging the food can be store for long time and can be utilized to feed poor and needy people in the world. Packaging is prime tool for every society on the earth. There is not a single culture who can survive without packaging.
5.6.1 Nanotechnology the future of packaging

There have been great progress and impact in nanotechnology packaging which helot to develop every life and science in day to day affairs. Nanotechnology Nanoscale material play significant electronic and photonic packaging to health and food packaging. Nanotechnology is current topic to scientific studies and curiosity. Nanotechnology is very much promising latest innovative techniques as well as natural movement through the process for pure packaging industries. This technology design maximized packaging primary functions. While protecting goods in the transits, developing social benefit as well as creating economy 1 not only in the packaging industry but it gone beyond the manufacturer sector and sources. Nanotechnology refer to the control changes at very dip level in which one of the particular affect functional behavior. Its not manage particular below 100 nanometer in given dimension. Nanotechnology is ability to see as well as control individual atoms as well as molecules. In this context we can say human hair is around 80 K nanometer thick. The all product which we consume or use are made up of atoms given instant clothe we wear, the home which we stay, our own body, the food we eat every single item. These particle are very difficult to see with naked eye rather it is impossible to see with open eyes. It is also difficult to see with microscope which normally use in laboratory in school or college level. Scanning tunneling and the atomic force microscope kind of tool has been developed by scientist and this is being of nanotechnology era born. Today’s world there are variety of product packaging developed on the basis of basic nanotechnology like higher strength, lighter weight products packaging, developed control of light spectrum. While transportation of food or edible product it always been carry in protective packaging environment in scientific language we can say it must carry in oxygen free environment, to carry such product normally plastic material being used with small amount of permissible oxygen. But upon storage of longer period there are the major chance to leak the packaging or in case of packaging got damage in transit then the oxygen can easily enter in the packaging and it can damage the products. In this case coating of metal or glass can be used as protective measure for such incident but again the flexibility of packaging

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is major concern may arise during the transit of the product and at the same time it’s a costly affairs.

Currently food packaging are typical kind of plastics wrap with atmosphere suitability so that product can be delivered to end user without hurdle. If any case the external packaging got damage then it easy way to enter oxygen with product and food product can deteriorate due to oxidative rancidity. If the same plastic packaging is coated with few nanometers of metal giving laminated or protected with metal nanoflim, which will help to keep the food fresh for longer time. There are smart nanopack that are able to control or modified internal temperature within the package as per external and internal temperature. With the nanoparticles and nanopackaging techniques we can increases Mechanical Strength, Moisture retention, clarity development, Barrier uses, Thermal controller. At the same time the technique and result of recycling process of such product are not tasted but it would be more difficult to process.

5.7 Cost of Global Packaging

In the Globalization world buyer/customer are well educated and well informed about the product they are going to buy. Even thou packaging is healthy tool to sale the product in the market off the shelf or on the shelf. This include product information, positive and comparative pricing in the global competitive market. Product packaging designee has already taken its note and adopted the packaging style accordingly. Today’s educated world product designer and seller always consider open view of the buyer and as per buyer they are looking for clear, concise information and more visibility and clarity about the what product they are going to buy and their good as well as bad impact on the human life as well as environment.

Packaging are varies as each stage of buyer as well as at each stage of transport movement. Product which move to direct buyer are having final stage of primary and more expensive as well as attractive packaging. So that product can be easily attracted and pickup by the customer, which would be easy and proud to carry with them. Buyers are most cautious about their health as well as environment health.
Figure 10 Various level packaging

Figure 10 shows the various level of packaging right from factory to retailer for easy and cost effective supply at the same time it ensure product protected from damages.

For factory product directly sold to the retailer which carry with additional packaging as they need to consolidate the material into one pallet or truck or transport equipment to save on freight as well as multiple handling. Retailer need to ensure the package should be intact at the same time packaging should not carry more weight interm of either actual nor the volumetric ways. As more weight may cost more freight and more handling charges. As part of globalization there are more scope to make the product available at any part of world, so retailer and sub dealer are ensuring the same. Retailer has to arrange for freight cost at the same this he has to ensure the cost is equivalent. Retailer to save on cost they use TQM Transporation Quality management system to ensure more number of packages are safely travel across with safe container. Cut down in wasteful and unwanted part of packaging are always helpful to retainer to serve as dual functions of as saving the transportation cost as well as it help to save the environmental pollution.

5.8 Advantage of Globalizations:

Globalizations is process, system, stream, advancement type of integration of multicounty that normally developed from exchanging the global product, thought, view, idea, tradition and various kind of culture. Globalizations help to generate advance communication system in every aspect Information technology as well as telecommunication. Most of the
country are dealing in global environment with powerful & independent economy which is major contribution to global economy. Globalizations is part of marketing which is creating variety and new market for every kind of product. With globalization each kind of product can be made available to with few easy step and action. There are unlimited advantage of globalization few of them we can discussed as below.

Global Education: Education is integrate part of the modern life. Exchanging the culture along with education is always beneficial part of globalization. It help to internationalization of education so that the higher studies are easier to reach. Educational internationalization bright quality education and high level teaching and educational patter. Due to the globalization as well as Information technology interference distances studies is possible to whom want to go for high level and global education. Globalizations help to gather best and verity of pattern of education style and materials.

**Global Employment**: Globalizations create more global job opportunities. This is the process where industries are easily moving from country to country level, which is part of technology transfer. Global employment help to raise the standard salary scale as well as standardizes job works. Skill worker can easily transfer for country to country and employee can seek their most favorite job as per their desire.

**Cheaper Price**: Due to globalization healthy competition are being initiated as well as quality of product improved. Price is a part of healthy competition, and to retain the product and brand into market prices has to reasonable and minimum. Globalization offer the product with low price to the buyer as well as uniformity.

**Quality product**: With the globalization more competition is in place and to retain in the competition good quality is prime factor. As quality is best sales man for the product. Globalization demand best quality world all the time. So with the globalization mean the quality factor to be considered.
**Communication:** Globalization demand more communication with fast and reliable way. The pattern of communication has been changes, today we are in world of Telecommunication as well as information technology. The communication is a channel help to share culture, tradition, process, education as well as political knowledge.

**Global Innovation:** Advantage to SSI are more as per studies small scale industries are major part of innovation industries. As per studies the number of innovation in small scale industries are two and half times more than the large industries. As per US management more than half the major advance technology in last century is produce by small scale industries. Large scale industries heavily depend on small scale industries for instant Mc Donald’s heavily depend upon small scale industries of agriculture.

**5.9 Limitation of Globalization:**

Globalization helping to develop economy and business in the fast track but at the same time it has their own limitation.

i. Culture: Globalization helping to develop and form entire new culture and advance tradition because continues movement people from country to country. Its resulting country or state they are losing their existence culture and tradition. Globalization world people choose advancement in culture rather than live just the way before.

ii. Health: Most of immigration possible due to globalization, and as more people move from country to country health issue may pop up in major way. Due to globalization people prefer to eat junk food and it is main cause of health issue. Globalization concept more toward outsourcing job work it means more pressure to unskilled worker which resulting unhealthy culture.

iii. Environment issues: Due to globalization demand of natural resource increasing, hence to earn more money countries engaging more into utilizing natural resource which cause adverse effect on environment. Globalization give more opportunities to dump unwanted and unused material to underdeveloped countries which may pose to soil and various kind of pollution to environment.
Apart for above issue in absence of proper training to industries and economist it may lead company and country economy in wrong direction. Cost of life and cost of infrastructure would be reaching to global level and would be definitely out of reach to local and underdeveloped people. Lack of assets and finance is biggest worry for small scale industries and it can be biggest hurdle to reach them to global match.

Globalization does have both the impact positive as well as negative to small scale industries economy. My people and countries are unhappy because of the health issue and other negative impact on culture which is affecting their day to day life.

Many Indian domestic languages are under treat to become abolish from market and it became history due to globalization. As per many observation and as per Minister of State and tourism Shripad Naik said that under heavy pressure of globalization and in view of global languages dominated local languages are disappearing from board and its heavy treat to local languages to miss their identity.

As per “The Central Institute of Indian Languages (CIIL), Bangalore has stated that globalization is indirectly killing local languages. It is agreed and true that globalisation is not only affecting local languages but it is acting as bad conductor various actual word of tradition, culture, especially varity of local food, clothing fashion, literature, rituals. Languages die when its speaker or leader die, we can take the example of Andaman and Nicobar islands where the local people use local language namely Aka-Bo which is no more in operation from the day the language speaker die in 2010. With the case studies government of India has to take persuasion and initiated the scheme which is known as “Protection and Preservation of Endangered languages of India”. This scheme initiated by government of India though Central Institute of Indian Languages” which prime object to protect the local languages by various methods.

Globalization has their own limitation in term of cost, material availability, demand and supply We have seen few analysis where in most developed countries are not given that much important on Packaging but at the same time under developed countries as well as developing countries are more tends towards attractive packaging.
Reference:


