

A Study of Consumer Behavior in the Purchasing Decision of Cosmetics

¹Smt. Uma Minajigi & ²Dr. Asha

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ABSTRACT

The purpose of the paper is to study the consumer buying behavior towards cosmetics. People consider quality as the most important factor to purchase cosmetics. The findings may be used to marketers to design marketing strategy for cosmetics. Through this paper an attempt was conducted to identify the different factors that impact and influences the customers for buying a product. This study reveals that various factors like quality, brand, price, advertisement and packaging have tremendous influences on consumer purchasing behaviour. This research paper helps to contribute an extra idea and knowledge to cosmetic companies so that they get to know more about the purchasing behaviour of consumers.

1. Introduction

In today's world, the customer's demand and the power of the retailers is tremendously growing due to competitive environment and changing business. It is vital to have a sustainable relationship with customers for the survival and success of producers. Nowadays in the market a tremendous growth is experienced by the beauty products and has become one of the leading industries in the world. In Indian scenario too, the consumption and using of cosmetic products have increased rapidly. In our country, annually 15-20% of cosmetics market is reportedly growing. Comparing to other beauty products, demand for skin whitening is driving the trend. As consumer's awareness about their appearance and beauty results in the increasing demand of cosmetic and beauty products in the market. Manufactures are likely to be aggressive to identify consumers' needs and requirements across all categories in cosmetics. Customers purchase products based on their preferences, needs and buying power. Media have an idea about how the customers in this era can be targeted and they have the power to change their thinking way through their emotions, wants, needs and demands. Market researchers and organizations is conducting a plenty of studies and they are spending billions of dollars to identify the factors that have an influence on consumer's cosmetic consumption. The customer's purchase decision is now becoming a complex process. Consumer's behaviour, perceptions and attitudes determine their purchase intentions. To evaluate and access a specific product, purchase behaviour becomes a key point for consumers Key to the success of any business organizations lies in the hands of customers. Understanding their needs, wants and their buying behavior determines the organization success. To predict the future trends, marketing personnel are analyzing the customers buying behavior pattern. The term Consumer buying behavior is defined as the analysis of when, where, why, and how people purchase a product. In ancient days' people don't prefer to buy cosmetic products, as they know the harmful effect of using these artificial but now the trend has changed. Youth and adults in India are more concerned about their looks and for that they prefer to buy cosmetics products. Consumer's cosmetic consumption depends on different attributes like Price, Quality, Brand name, Brand loyalty and Labeling. All these attributes now become a new trend in the market.

Currently, people are falling for quality, branded and cheap priced products. Early day's price was the only factor in the mindset of people. But now, all these factors have a major role in dominating the market. The main purpose of this research is to have a better knowledge and understanding of consumer buying behavior towards cosmetic purchasing and what all are the factors influencing the consumers in purchasing cosmetics.

2. Literature Review

Desai K. (2014) studied consumer buying behavior of cosmetic products in Kolhapur. His main objective to study the paper is to identify the factors influencing the consumer buying decision of consumers for cosmetic products. Another objective of the research was to study buying process for cosmetic products. Convenient sampling method was used as data collection method. Simple percentage and ranking techniques were used as statistical techniques. He found that the major part of cosmetic market is covered by females. According to his research, quality is the most important factor influencing the consumer buying decision. Television and reference groups are other important factors to influence consumer buying decision.

Rameshwari P., Mathivanan R., Jeganathan M., (2016) studied consumer buying behavior of cosmetic products in Thanjavur, Tamilnadu. Main objective of the study is to identify reasons for purchasing cosmetics and to identify factors influencing consumer buying decision for cosmetic products. Convenient sampling method was used as research method. Factor ranking method was used as statistical technique for analyzing data. In this study, it was found that though cosmetic market is dominated by female consumers, male consumers also participate in the same. The working respondents are more focused about their appearance and ready to buy high end products.

Dr. Anandrajan S., Sivagami T. (2016) studied consumer purchase decision behavior towards cosmetic marketing. The aim of the study was to study consumer behavior marketing of cosmetic products. They also want to know the influence of various media in motivating the consumer on a particular brand of cosmetics. Random sampling technique was used. Sample size was 200. Direct Interview method was adopted to collect

data. Simple and bi-variate tables were prepared from information collected. Percentage Analysis was used for analyzing data. It found that reduction in price and attractive promotional schemes can attract more customers. The study concluded that cosmetics are not part of luxury. Manufacturers need to identify the need before marketing the cosmetic product.

Prof. Anute N., Dr. Deshmukh A. Prof. Khandagale A. (2015) studied consumer buying behavior towards cosmetic products. The main aim of study was to study demographic profile of consumers and to find factors affecting consumer purchase decision. They also want to know the purchase pattern for cosmetic products. They found that majority of people use domestic cosmetic brand, television is most effective media to get information of cosmetics; quality of product is considered as most important factor for consumer purchase decision.

Jawahar V., Dr. TamizhjothiK. (2013) studied consumer attitude towards cosmetic products. The main aim of the study was to examine the influence of attitude on consumer buying behavior and to identify the important factors that determine the buying behavior.

BanuRekha M., Gokila K. (2015) studied consumer awareness, attitude and preference towards herbal cosmetic products with special reference to Coimbatore city. The main aim of study was to consumer awareness towards herbal cosmetics, to identify the factors influencing the consumers to use herbal products. Descriptive research design was used with non probability convenience sampling with 50 respondents of Coimbatore city. Karl Pearson's co-efficient of correlation, average ranking analysis and chi-square analysis were used for data analysis. They found that family income per month and spending for herbal products have positive correlation. Quality was ranked as most important factor that influences consumers to purchase cosmetics. They concluded the research with a note that consumers believe that herbal cosmetics are not a luxury now and should be used by consumers.

Matic M., Barbara P. (2015) studied consumers' purchase intentions towards Natural cosmetics. The main aim of study was to identify the determinants that influence intentions of consumers towards purchasing natural cosmetics. The data was collected through online questionnaire .data were collected from 204 samples. Logistic regression and correlation were used for data analysis. Results of the correlation analysis indicate that there is a strong positive correlation between purchase intentions towards natural cosmetics and consumer references of natural cosmetics. The findings may be useful to online retailers, as well as marketers and practitioners to recognize and better understand the new trends that occur in the industry of natural cosmetics.

Dr. Nagananthi T., Mahalakshmi M. (2016) Studied consumers' brand preference and buying behavior of cosmetic products at Coimbatore city. The main aim of study was to identify consumers' brand preference towards cosmetic products and to determine the relationship of brand factors with

demographic data. Primary data were collected from 200 samples through convenience sampling. Chi square test and one way ANOVA were used for data analysis. They found that personal care is one of the most important reasons for purchasing cosmetics. Himalaya herbals were the most important brand among consumers. Demographic factors influence consumer to purchase the cosmetics.

3. Consumer Buying Behavior:

Consumer buying behavior is the sum total of a consumer's attitudes, preferences, intentions, and decisions regarding the consumer's behavior in the marketplace when purchasing a product or service. The study of consumer behavior draws upon social science disciplines of anthropology, psychology, sociology, and economics. If marketer wants concrete positioning than the priority is to identify the consumers' buying behavior and marketer will be in better position to target that products and services to consumer. Buying behavior is focused towards the needs of individual, group and organization. So, requirement is to have proper understanding related to relevance of those needs with consumers buying behavior. It is important to determine the interaction of consumer with the marketing mix to understand the consumer buying behavior. The reason behind that is the psychology of each individual towards products and services differ according to the culture, attitude, past learning and perception. On the basis of that consumers make further decision regarding whether to purchase or not and from where to buy the product that the consumer prefers.

Their decision depends upon many criteria. However, consumer purchases have happened much before their actual purchase. Marketing plays an important role in this. Marketing & Advertising have a strong positive impact on buying behavior of consumers, and they directly influence consumer buying a product from a company that she/he is well aware of. In ancient days, consumers were not bothered about the attributes before buying a product. But there comes a tremendous change in the consumer buying behavior of the 21st Century.

There are mainly five steps/ stages in consumer decision process

1. Recognition of problem: Recognition of a problem starts when a customer realizes a problem or need. In all phases of life, humans are considered to be the customers of one company or another. And they have requirements and needs which have to be fulfilled at each phase. These requirements may be low or high involved ones. The first step of consumer buying behavior starts when the customer realizes that he needs or wants something.

2. Search for information: Once a customer identifies a problem, the next step is to adequate enough information to solve the problem. The extent of search for information depends on the customer's level of involvement in the purchase. The major source of information which influence the consumer's buying behavior are – Advertisements, Friends, Public, commercials and experience.

3. Evaluation of alternatives: Next stage of the consumer decision process is evaluating the alternatives. In this stage the Consumer will find the alternatives. They will compare and understand what they know about the alternative products and brands with what they considered the most.

4. Purchase decision: After making a decision whether or not to purchase, a consumer might move through the first decision process as it plans and intends to purchase a particular brand or product.

5. Outcome: In this step, after critically analyzing each stage in the decision process, final purchase is made.

4. Customer purchasing decision towards cosmetics:

Before buying a product, Consumers walk or move through a series of steps. They emphasize the product in a way that it should satisfy their needs and have good quality with low or more affordable price, and should deliver them with value added features. Consumer buying pattern differ when comes to the product quality, price, status, features, packaging. They mostly follow the rhythm of fashion and this changing preference affects their buying pattern. To identify and predict this changing behavior, marketers spend million rupees every year for market research. Currently the marketers are facing difficulties to understand and target the consumer's behavior because they are flourished by the different varieties, affordable price and changing trend in the market of cosmetics.

5. Beauty Care Products:

Beauty care substances or Cosmetic products can be made either natural substances or chemical compounds to enhance both odor and appearance of human body. Beauty care products are used to enhance human appearance. Today people are more concerned about self-personality and self-consciousness; hence the demand for cosmetic products is increasing rapidly. Consumers use cosmetic products to become attractive, cleansing and to alter the physical appearance of their body. Without affecting the body's functions or structure, cosmetic products are intended to be applied for promoting attractiveness, beautifying, cleansing or altering the appearance of human body. There are many globally well-established leading cosmetic companies such as The L'Oreal Group, The Procter & Gamble Company, Unilever, Shiseido Company Ltd and Estee Lauder Companies Inc. Cosmetic products have modernized and brings a change not only in foreign countries but also in Indian society and thereby in the minds of Indian customers especially youth and adults who have now started purchasing various cosmetic brands viz. Lakme, L'Oreal, Avon, Mac and Chambor, Pond's, Fair & Lovely, Maybelline, Color Bar, Dove, Elle 18, Revlon, Clinique, and Garnier. There are many factors that consumers will look for before buying a cosmetic product: Brand, Quality, Labeling, Price, and Advertisement.

Brand: The Brand is considered as a name and symbol of a company. Brand plays an important role in creating a positive image among customers. Brand name has the ability to create loyal customers as well as to retain market share of the company. Loyal customers always remain faithful or loyal to a brand, they repurchase it and through word of mouth they

recommend it to others. Brand loyalty as customer's willingness to spend high amount for their favorite brand against its alternatives that loyal customers are great asset to a firm as they bring profitability and growth to a company.

Quality: Quality product plays an significant role in assessing purchase intention. It can be termed as a process of continuous improvement because the product performance and satisfaction of customers will increase due to continuous changes. Zeeshan, (2013), state that quality is an important tool for creating competitive advantage. Tariq et al (2013), in his study he argues that Quality should need to be improved every moment. Chi et al. (2008) state that purchasing intention of customers depends upon the product quality and it have a significant impact on it. Tsotsou (2005 and 2006) found that customer purchase intention is high for quality product than low quality products. Jalilvand et al. (2011) found that quality product always has a direct and positive relation with customer buying decision. Other researchers also found that quality product have a strong impact on customer buying behavior.

Packaging: Packaging is a representative of manufacturer and act as the carrier of advertising messages and company slogan. Yang (2004), states that proper packaging create distinctiveness among the companies. Companies know about the needs of proper packaging and how a slight change in packaging results in their profitability. Therefore, now companies are completely focused on different aspects of packaging and thereby to reap high productivity and profitability. Deng (2009), states that customers will look for the packaging style of food products. The visual aspect of labeling and packaging has an important role in the food purchase process and have a direct relation with customer and an effect on customer mind. Cahyorini and Rusfian (2011) states that packaging's definitely have strong impact on purchase decision. During the time of unplanned purchases, customers are attracted by the color, labeling and totally the appearance of the product. Rahimniya et al. (2012) in his study state that for purchasing food products there is an impact of functional and visual aspects of packaging. Khraim (2011), according to his study packaging, brand loyalty and customer purchase intention these three are related to each other. There is an impact of packaging on brand loyalty and which in turn shows a positive effect on customers purchase intention. Kawa (2013) in his study showed a positive impact of packaging on customer's product purchasing decision.

Advertising: Advertising can be considered as a subset of marketing mix (4P) that are place, promotion, price, and product. For promotion of a product, one of the main strategies used is advertising. In order to make awareness of a product in the mind of potential customers, advertising is an important tool and it influences the customer's decision to buy a product. Abideen and Latif (2011) states that, through advertising manufacturers create an emotional link with customers and it will long last in the mind of the consumers. If advertising is attractive, then customers pays more focus on that and thereby creates a feeling towards the product and that leads to the way of brand promotion. Those who have loyal feeling show a positive attitude towards a brand. Tang et al (2007), in his study found that positive response to certain advertising or

brand increases the positive evaluation. Bostan&Nabsyeh, (2012) in their study on Malaysian consumers, observed that advertising is a strong powerful tool which plays an important part to affect and inform consumer behavior. Abideenand Latif (2011) in their study paper found that there is an impact of advertising on consumer buying behavior.

6. Conclusion:

As cosmetic industry in India is one of the growing industries, marketers should know about the factors affecting purchase decision along with the attitude, perception and learning habits of consumer towards cosmetics. Through this study, it was identified that the following factors, quality product, product price, brand name, product packaging and advertising have greater impact on customer buying decision.

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Consumers go through the rigorous thought processing making their buying decisions, since there are alternative products which compete in the areas close proximity, relatively cheaper price, quality, etc. Brand, Quality and price are one among the strong competing factors in the decision making process. When it comes to beauty products, it is even more intense that all the following factors play a major role in consumer buying decision. Manufacturers and retailers of beauty products must have this thought at the back of their mind as they embark on the marketing of their products. People always consider quality as the most important factor while purchasing cosmetics and they also consider the advice of beautician. People consider cosmetics as necessary part of routine life which is positive insight for marketers of cosmetic product.