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"Consumer Buying Behavior towards Cosmetic Products"

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Abstract

The Objective of this research paper is to study consumer buying behaviour towards cosmetic products. This research is conducted in Pune city and a survey method was used to collect the data from 200 respondents.

Personal care sector is an integral part of the nation's economy with its huge potential. The personal care industry is one of the largest consumer sectors in the country. The purchasing power and disposable incomes of the Indian consumer have considerably increased and it has created a niche for leading organizations in this segment in the last decade, resulting in phenomenal growth in this sector.

Introduction

Understanding behavior of consumers is a key to the success of business organizations. Marketing personnel are constantly analyzing the patterns of buying behavior and purchase decisions to predict the future trends. Consumer behavior can be explained as the analysis of how, when, what and why people buy. According to Global Cosmetic Industry report the advanced education provided by brands about the products' ingredients and benefits have made today's consumer more aware of what they're putting on their bodies, and making them more willing to pay. Consumer behavior can be understood as: "The decision process and physical activity individuals engage in when evaluating, acquiring, using, or disposing of goods and services." (Loudon and Della Bitta, 1980).

Indian Cosmetic Industry

The Indian cosmetics industry is growing in terms of product development and marketing. The preference of Indian consumers is changing from the 'merely functional' products to more 'advanced and specialized' cosmetic items. The average annual spending of Indian consumers on cosmetics in 2011 is just over US\$3. India in cosmetics, which saw its value share rising from 27% in 2005 to 31% in 2014 and are likely to continue to surge ahead over the forecast period. The entry of many multinationals into the Indian cosmetics from 2011 has made it an extremely challenging and dynamic market. Foreign players have focused more on product innovation; re-launches and brand extensions spread across multiple price points, and enhanced product penetration by extending their distribution networks. The leading players have streamlined their ad spend to effect savings that has allowed them revamp their pricing strategies as well as offer free gifts to retain consumers.

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The main reasons being a greater ability to purchase personal grooming products among a larger base are financially independent women, frequent relevant product launches and growing beauty consciousness and awareness, especially among the younger population. However the Growth was affected by low product awareness or lack of inclination to spend on cosmetics especially in rural areas. The aggressive price competitions from local and regional players, which seized volumes with better trade margins and heavily discounted offerings, have also contributed to the same.

LITERATURE REVIEW

New scientific developments, techniques, products and media hype, has contributed the Indian fashion industry in generating mega revenues and this has in turn added to the growth of cosmetic industry. Rising hygiene and beauty consciousness due to changing demographics and lifestyles, deeper consumer pockets, rising media exposure, greater product choice, growth in retail segment and wider availability are the reasons reported by (Euromonitor International, 2006).

Briney (2004) describes an interesting trend among Indian cosmetic consumers, while other global countries are taking to the traditional Indian herbal and ayurvedic applications for beauty solutions, Indian consumers are increasingly looking to international personal care brands as lifestyle enhancement products, in the belief that the association with and use of an international brand confers one with a sophisticated and upper class image.

According to the study conducted by Dr. Vinith Kumar Nair and Dr. Prakash Pillai R male consumers generally prefer to purchase and make the brand selection of cosmetics individually. Quality is the major factor influencing the purchase decision of male consumers. They tend to buy cosmetic items from a single shop of their convenience. It is also observed that male consumers buy all their cosmetic items from one shop.

The consumer buying behaviors steps in decision process model

Their mainly five stages of consumer buying behavior

- 1. Problem/Need Recognition
- 2. Information search
- 3. Evaluation of alternatives
- 4. Purchase decision
- 5. Post purchase behavior

Need of Research

The contribution that this research tends to make was to give a clear view to the "Cosmetic Industry" as to how the consumer decides to purchase the cosmetics products of varied ranges. Also it helps in knowing the customer base of various brands.

Objectives of the study

1) To study demographic profile of consumers buying cosmetic products.

2) To study factors affecting buyers decision for purchasing cosmetic products.

3) To study most widely used cosmetic product category amongst customers.

4) To study purchase pattern of consumer for cosmetic products.

5) To study brand preference for cosmetic products.

Scope of the Study

The study analyses the purchase patterns and spending styles of people belonging to different

segments of Cosmetic consumers in Pune city. The major variables selected for the study are as follows:

Demographic Profile of Consumers

Gender Wise (Male & Female), Age Wise, Marital status, Monthly Income Education, Qualification and Occupational status.

Major Factors identified for detailed study includes

Purchase Style, Brand Selection, Point of Purchase, Location Preference, Brand Loyalty, Brand Awareness, Factors in Purchase Decision, and Spending Pattern.

Research Design: - Descriptive Research

Sampling Method – Non Probability Convenience Sampling

Sampling Area – Pune City

Sample Size: - 200

Methods of Data collection

Primary Data - Primary Data was crucial to know the consumer buying behavior towards cosmetics products. Primary data was collected having face to face conversation using the questionnaire prepared. **Secondary Data** - All relevant secondary data is collected from various sources like Internet, Books, Magazines, and Articles etc.

Method of analysis and statistical tools

A structured questionnaire is used to collect the data. Questionnaire is a sought to be the best tool for collection of reliable data. The questionnaire consists of multiple choice questions to achieve the objective of research. MS EXCEL-2007 has been used to analyse the data.

Tabulation & Data Analysis

CUSTOMER DETAILS

	Married	Un-	Total	PERCENTAGE
		married		
Male	41	85	126	63%
Female	29	45	74	37%

Location

Camp	35	17.5%
Deccan	40	20%
Kothrud	45	22.5%
Sinhgad Road	80	40%
TOTAL	200	100%

Age

Teenagers	130	65%
Youth	40	20%
Middle age	20	10%
Uppermiddle age	10	5%
TOTAL	200	100%

Occupation

Student	110	55%
Employed	65	32.50%
Self-Employed	15	7.50%
Other	10	5%
TOTAL	200	100%

Monthly Income Detail

0-15,000	20	10%
15,000-30,000	75	32.5%
30,000-45,000	60	30%
45,000-60,000	40	20%
60,000 & above	5	2.5%
TOTAL	200	100%

CONSUMTION DETAIL - Product Type

Ayurvedic & Herbal	60	30%
Organic	120	60%
Both	20	10%
TOTAL	200	100%

The way to get to know about cosmetic products

Television	100	50%
Internet	20	10%
Newspaper	5	2.5%
Magazines	20	10%
Word of mouth	50	25%
Other	5	2.5%
TOTAL	200	100%

Consumer preferance for cosmetic products

Domestic	130	65%
International	45	22.5%
Both	25	12.5%
TOTAL	200	100%

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The amount spent by the consumer on cosmetic products

0-1000	72	36%
1000-2000	96	48%
2000-3000	24	12%
3000-4000	6	3%
4000-5000	2	1%
5000 & above	0	0%
TOTAL	200	100%

Place from where consumer like to buy cosmetic products

Shopping Mall	106	53%
Traditional Shop	72	36%
E-shopping	14	7%
Other	8	4%
TOTAL	200	100%

Rank 1 of brand for hair care(Shampoos)

Sunsilk	40
Pantene	13
Dove	27
Head& Shoulder	80
Clinic Plus	20

Rank 1 of brand for skin care

Vaseline	47
Ponds	28
Lakme	81
Fair & Lovely	18
Himalaya	30

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Rank 1 of brand for deodrant/fragnance(Male)

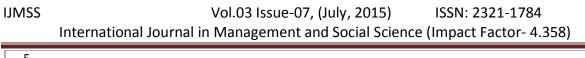
Ахе	46
Adidas	22
Park Avenue	15
Wild stone	35
Nivea	8
Total	126

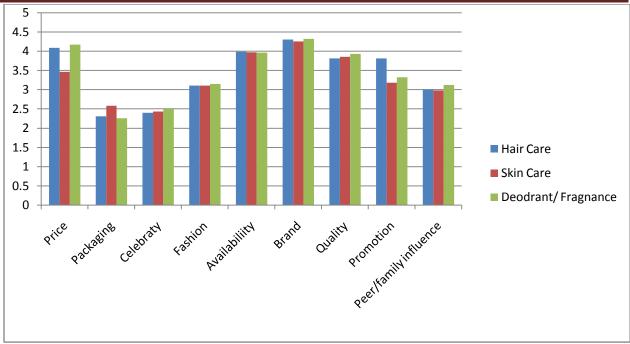
Rank 1 of brand for deodrant/fragnance(Female)

Spinz	28
Dove	21
Nike	12
Rexona	5
Nivea	8
Total	74

Average of factors Important for Male while buying cosmetic products

	Price	Packaging	Celebraty	Fashion	Availabiliity	Brand	Quality	Promotion	Peer/family
									influence
Hair Care	4.09	2.31	2.40	3.11	3.99	4.30	3.81	3.81	3.01
Skin Care	3.46	2.58	2.43	3.11	3.97	4.25	3.85	3.18	2.98
Deodrant/ Fragnance	4.17	2.26	2.50	3.15	3.96	4.32	3.93	3.32	3.12

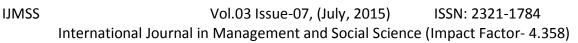


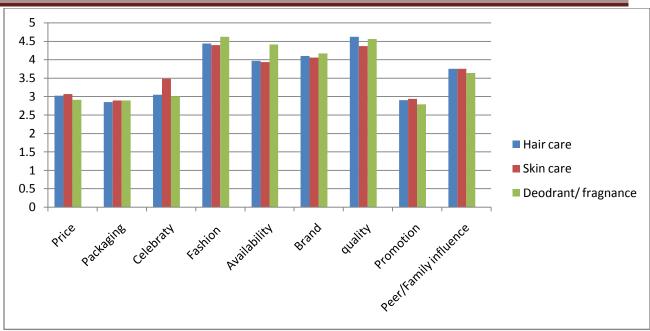


Average of factor important for Female while buying cosmetic product

	Price	Packaging	<u>Celebraty</u>	<u>Fashion</u>	<u>Availability</u>	<u>Brand</u>	<u>quality</u>	<u>Promotion</u>	Peer/Family
									<u>influence</u>
Hair care	3.02	2.85	3.05	4.44	3.97	4.10	4.62	2.9	3.75
Skin care	3.06	2.89	3.48	4.39	3.93	4.05	4.37	2.93	3.75
Deodrant/ fragnance	2.91	2.89	3.00	4.62	4.41	4.17	4.56	2.79	3.64

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Change of Brand of cosmetic product

Yes	35	17.5%
No	165	82.5%
TOTAL	200	100%

FINDINGS

- Most of the people purchase cosmetic product comes in the age group of 15-30 years. •
- Most of the people (65%) prefer to use domestic brand. •
- Most of the people(60%) like to buy organic cosmetic product. •
- Almost 50% people get to know cosmetic product through television. •
- Most of the people(42.5%) use cosmetic product for the beauty. •
- Most of the people spend around 1000-2000 Rs per month on cosmetic product and they • purchase it from shopping mall.
- Most of the people remain loyal to their cosmetic products, they don't change their cosmetic brand.

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- Most of the people take quality as a most important factor to purshase cosmetic product and • packaging as a least important factor for purchasing cosmetic product.
- Most of the people has preferred Head & shoulder followed by sunsilk, dove, clinic plus and pantene respectively for hair care.
- Most of the people has preferred Lakme followed by vaseline, himalaya, ponds and fair & lovely.
- Most of the male has preferred Axe followed by wildstone, adidas, park avenue and nivea and most of the female prefered Spinz followed by dove, nike, nivea and rexona.

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