A study on factors influencing cosmetic buying behavior of consumers

Anjana S S
Department of Management, Kochi,
Amrita Vishwa Vidyapeetham
India
anju.srags110@gmail.com

Abstract—The research mainly focuses to understand the buying pattern of consumers for cosmetic products. 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.

Keywords—Consumer buying pattern, Cosmetics, Brand, Quality, Price, Advertising, Product labeling, Purchase Intention

I. 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. Manufacturers 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.

II. CONSUMER BUYING BEHAVIOUR

Consumer buying behavior is a decision process as well as an attitude of the people involved in purchasing and using products. Consumers make purchase decisions for buying small as well as large products. After recognizing a need or a want, consumers begin searching for products or services that fit their requirements. 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. Consumer purchase decision has now become a complicated process and is related to the attitude, perceptions and behavior of consumers. Consumers considered purchase behavior as a key point to access and evaluate specific product. Ghosh (1990) state that, to predict buying behavior of consumers purchase intention is an effective tool. Due to the influence of price, quality and value there is a possibility for changing purchase intention. Gogoi (2013) state that, during the buying process consumers are influenced by external as well as internal motivations. Kotler & Armstrong (2010) & Kawa et al (2013) talks about the six stages which are: knowledge, awareness, preference, interest, persuasion and purchase that researchers have proposed before planning or deciding to buy the product. Gogoi (2013) states that, Customers have an intuition that products that are little known, low cost, and simple packaging have a high chance of risk because the quality and value of these products is not trustable.

III. CUSTOMER PURCHASING DECISION TOWARDS COSMETICS

Before buying a product, Consumers walk or move through a series of steps. They emphasis 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.

Consumer’s preference is changing along with time.

Five stages of consumer buying behavior

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.

IV. 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. Eric’s (2012), state brand loyalty as customer’s willingness to spend high amount for their favourite brand against its alternatives. olla & Licker (2001) in their study show that loyal customers are great asset to a firm as they bring profitability and growth to a company.
Irshad (2012), shows that among customers there is a significant relationship for purchase intention and brand equity. Azizi & Ajini (2012) found a direct positive relationship between product quality and thereby recommending it to others. Zeeshan (2013) in his study found that among men also brand image plays an important role and it affect their purchase decision. Divolfi (2005) state that, high brand awareness of a product influence the consumer to buy the brand. Many research found in their study that branded product impact’s purchase intention of customers.
Singh J.D. (1981) state that Indian consumer’s preferences for a product is changing and now they are becoming more brand loyal. Brand loyalty occur due to the nature of the product they are: quality, habit of use and frequent availability of product.
Debiprasad Mukherjee (2012), states that brand loyalty have a connection with the celebrities on the brand. Consumers show high brand loyalty for brands with images of celebrity that they aspire to be like.
Loudon and Della Bitta (1988), states that from different resources, customers get a thought or feeling about brand image. Customers prefer familiar brand because of high quality and less purchase risk.
Mrs. HemaPatil and Dr.B.Bakkappa (2012) says that through quality products global brands fulfill the needs and wants of the customers and that is the reason behind consumers prefer to buy cosmetics of preferential brands.
Kotler (2000) in his study contends that brand is referred as a name, symbol, term, and design used to differentiate the company’s products and services from their competitors. Keller (1993) in his study defines brand image as the perception of consumer’s product memory. Thus, brand image is brought out by advertisements and promotions. Brand image helps a consumer to recognize a product, evaluate the quality, reduces their purchase risks, and obtain certain experience and increases the satisfaction level.
Grewal, Krishnan, Baker, and Borin (1998), found out that consumers give more recognition to a product quality if it has a better brand image. Richardson, Dick and Jain (1994) state that consumers get confused during actual purchase time due to their lack of time and product knowledge. But brand image and brand loyalty helps the customer to make a quick product decision.
Akaah and Korgaonkar (1988) conclude that to lower the purchase risk, consumers always prefer to purchase well-known brands with positive brand image.
Rao and Monroe (1988) also support this argument that positive image of a brand have a direct effect on lowering product perception risk and an increase in positive feedback from customers. Therefore, consumers have a belief that well-known brands can increase their satisfaction level and decrease purchase risk.
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 depend upon the product quality and it have a significant impact on it. Tsotsos (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.
Kisan Shivajitrao Desai (2014) states, for purchasing cosmetic products consumers are found to be more quality conscious because they patiently wait for the brand during non-availability.
P. Priyanga1, Dr. R. Krishnaveni (2016) states that, when a women consumer turns brand loyal it is due to the quality of beauty care product. High quality cosmetics help to build and maintain the confidence of targeted customers and convince them to purchase it. Customers are concerned about the quality of cosmetic products before deciding to purchase them. To remain competitive among the competitor’s cosmetic firms should increase and concentrate more on improving the quality of products. Russell and Taylor (2006) explains quality as “fitness for use” or “conformance to requirements–”. Indian consumers are interested in high quality product with fewer prices. Even if the price is high they are willing to buy if it has the stated quality. Quality always plays a significant role in consumer buying behavior. To reduce the perception risk and to meet their needs and wants, consumers always prefer quality products.
Packaging
Rahimniya et al (1391), in his research says product labelling and 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 knows 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 labelling 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 definitely have strong impact on purchase decision. During the time of unplanned purchases, customers are attracted by the color, labelling 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. Aghazadeh(1390) and Deng (2009) in their study state a direct relationship between packaging and customer purchase. 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.

Price

Kotler and Armstrong (2010), in their study gives an explanation about price as the money, used to exchange in terms of product or service by customers for the value they receive. Levy & Weitz (2012), states that loyal customers are ready to buy a product even if it cost high. Company always give more attention and care to loyal customers and take necessary steps to retain them as they bring more profit to the firm. Wickliffe & Pysarchik (2001), states that, product features (brand and price) have an inherent impact on customer behaviour.

Hermann et al (2007) research shows a relation between price and customer satisfaction. For purchasing a product price plays an important part and has a strong impact on the satisfaction level of customers. In another research, lee et al (2010) founded the relation between price and its impact on purchase decision. Khraim (2011), state that for a loyal customer price doesn’t matter and it effect on the purchase decision of customers.

Cadogan and Foster (2000), according to them, for an average customer, an important factor they are concerned about is price. Loyal customers are always willing to pay premium price for their favored brand. Keller (2013), state that before making actual purchase, customers make a comparison and evaluate price with alternative brands because customers have a tremendous belief or faith in the value or benefit they get from their favorite brand. Comparing price with value and perceived cost is the best method to build customer satisfaction. It is observed that consumers are willing to purchase a product if the perceived values are higher than product cost. Long –life duration of customers with a brand makes them more prices tolerant and they didn’t show any interest in making price comparison with the alternatives.

It is through price; a company communicates its value positioning of products or brands to the market. Sproles and Kendall (1986), explained price consciousness is to find the best value of a product and purchase at a lowest price.

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. Abideenand 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 & Nabseh, (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.

V. CONCLUSION

The purpose of this paper is to figure out the attributes that affect the consumer’s consumption for cosmetic products. Through this study, it was identified that the five factors, quality product, product price, brand name, product packaging and advertising have greater impact on customer buying decision. 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 five 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.
References


