

Study of Women's Buying Behaviour as Regards Cosmetics in Surat Region, India

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Abstract

As consumers, middle-class Indian women in general attach great importance to cosmetics and fashion. The focus on personal appearance in society is considered to be very significant. Many brand managers are, consequently, competing aggressively for market share in this emerging sector. The main purpose of this paper is to study women's buying behaviour and brand loyalty as regards to cosmetics in the Surat region of Gujarat in India in the context of increasing consumption of such products. Various factors were chosen for study and responses were gathered using a quantitative approach. Questionnaires were distributed to 150 respondents for self-completion. A non-probabilistic convenience sampling method has been used for this survey. The findings of the study indicate various parameters which women consider important in purchasing cosmetics; women in the sample tend to have low brand loyalty for cosmetics brands. The study also found that women like to use cosmetics for fashion and health, that beauticians were the most effective source of brand awareness and medical stores held the most trusted channel of distribution. The study helps producers and marketers of cosmetics products to take various decisions regarding product, distribution and promotion aspects of the marketing mix.

Keywords: *brand loyalty, buying behaviour, cosmetics, Surat region*

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1. Introduction

The general term 'cosmetics' is applied to all preparations used externally to condition and beautify the body, by cleaning, colouring, softening, or protecting the skin, hair, nails, lips or eyes. Cosmetics are, therefore, products intended to be applied to the human body for cleansing, beautifying, promoting attractiveness or altering the appearance without affecting the body's structure. This broad definition includes any material intended for use as a component of a cosmetic product. The growth of cosmetics and beauty products markets has become significant as consumers are increasingly becoming aware of appearance, beauty, grooming and the choice of personal care products. Understanding this sector should be of valuable use to marketers in identifying marketing opportunities to ensure greater efficiency in the use of resources and other efforts, which are directly related to consumer purchasing behaviour such as market segmentation, consumer targeting, product features, promotional and selling efforts. This paper provides an overview of the cosmetics market and its importance and examines the influence of various parameters and brand loyalty on women's buying behaviour concerning cosmetics. This study will provide useful information to the business sector as well as dealers in retailing sectors.

Since 1991, when economic liberalization took place, many Indian women have been crowned at international beauty pageants and this has corresponded with an increase on focus on the cosmetics industry. Subsequently, there has been a change in consumption of cosmetics and so the sector has been growing. The Indian cosmetics industry has experienced rapid growth in the last couple of years, growing at around 7.5% between 2006 and 2008. While this is due to the improving purchasing power and increasing fashion consciousness,

the industry is expected to have maintained growth momentum during the period 2009-2012 and beyond. In this sector, both electronic as well as print media are playing an important role in spreading awareness about the various products available and in developing fashion consciousness among the Indian consumers.

According to Indian Cosmetic Sector Analysis (2009-2012) (Research and Markets, 2012), the Indian cosmetics industry is expected to witness fast growth rates in the coming years on the back of an increase in the consumption of beauty products. Owing to growing disposable income of the middle class households and changing lifestyle, it is expected that the cosmetics industry will grow at a cumulative annual growth rate (CAGR) of around 17% during 2010-2013. Working women with high disposable income spend more on cosmetics and beauty products and, particularly, international brands, which are the most popular in the market. According to Retail International, retail accommodation for beauty product retailers has grown 30% in the last three years to account for 25-30% of all retail space in the market. Major brands are very active and more of the key suppliers are expected to follow such branded cosmetics. The market's growth is also attributed to the region's demographics, with a population of young, fashionable trendsetters with high disposable income (IBEF, 2013). Owing to the lack of local cosmetics manufacturers, most companies tend to sell as wide a range of cosmetics products as they can.

The Indian Cosmetics Industry is defined as skin care, hair care, colour cosmetics, fragrances and oral care segments which stood at an estimated \$2.5 billion in 2008 and is expected to grow at 7%, according to an analysis of the sector. Today, the herbal cosmetics industry is driving growth in the beauty business in India and is expected to grow at a rate of 7% as more people switch to organic products and not chemical ones.

2. Theoretical Framework

Consumer behaviour refers to the mental and emotional process and the observable behavior of consumers during searching, purchasing and post consumption of a product or service (Sheth, Mittal & Newman, 1999:4-7). It is the study of how individuals, groups and organizations select, buy, use and dispose of goods, services, ideas or experiences to satisfy their needs and wants. It involves the study of how people buy, what they buy, when they buy and why they buy. It blends together elements from psychology, sociology, socio-psychology, anthropology and economics. It also tries to assess the influence on the consumer from groups such as family, friends, reference groups and society in general. Consumer behaviour should be distinguished from industrial or organizational buying, which takes place according to different criteria and with different purposes and means of judging success.

2.1. Consumer Buying Decision Process

The buying decision process consists of several steps, which are processes undertaken by the consumer with regard to a potential market transaction before, during and after the purchase of a product or service. There are usually five stages:

1. Problem Recognition

The purchasing decision making process begins when a buyer becomes aware of an unsatisfied need or problem. This is a vital stage because without recognizing the need or want, an individual would not seek to buy goods or service. Various internal and external stimuli affect the recognition of the needs (problems) for cosmetics products. Internal stimuli include fashion consciousness, wishing to emulate others and the need for greater self-esteem. There are also various external stimuli, which include the actions and opinions of friends, doctors, beauticians, advertisements and others.

2. Information Search

After the consumer has recognized the need, she will try to find the means to solve that need. First, she will recall how she has solved such a problem in the past, if relevant, which is called nominal decision making. Secondly, the consumer will try to solve the problem by asking a friend or going to the market to seek advice concerning which product will best serve the need and this is called limited decision making. Here, consumers actively or passively involve themselves in locating appropriate information as per their needs for cosmetics products. Consumers search for information such as product range availability, price, product suitability and use and the nature of the products. Opinions of family, friends, doctors and beauticians, as well as reference to company websites and advertisements are major information sources as regards to cosmetics.

3. Evaluation of alternatives

Consumers evaluate alternatives according to various criteria such as features, characteristics and benefits that a consumer desires in solving the specified problem. The consumer will decide which product to buy from a set of alternative products depending on the unique features, if any, that the product offers. Here consumers evaluate the different alternatives in cosmetics products as per their needs on the basis of price, quality, brand image, ingredients, suitability, availability and other relevant features.

4. Purchase Action

This stage involves the selection of a brand and the retail outlet at which to purchase the desired product. After selecting where to buy and what to buy, the consumer completes the final step of transaction with either cash or credit. After evaluation among the different cosmetics brand available in the market now, consumers finally buy the products desired as per needs. Here consumers evaluate the

purchase decision considering various risks like functional risks, physical risks, financial risks and psychological risks.

5. Post-purchase Actions

In the event of favourable post-purchase evaluation, the customer will be satisfied with the process. However, if the product's perceived performance level is below expectation, then this will in due course lead to dissatisfaction. Consumers, if satisfied, are then likely to use the same cosmetics brand in future, which is what gives rise eventually to brand loyalty. If particular products do not perform as per their expectations, then consumers are likely to switch to another brand if one is available and it is perceived to exceed the performance of the current product.

This is the model of consumer buying behaviour that will be investigated in this paper.

3. Literature Review

Aaker & Keller (1990) argued that loyalty is closely associated with various factors, one of the main ones being the experience of use. Customers may be loyal owing to high switching barriers related to technical, economical or psychological factors, which make it costly or difficult for the customer to change. From another point of view, customers may also be loyal because they are satisfied with the brand and thus want to continue the relationship (Fornell, 1992).

Keller (2003) argued that famous brand names can disseminate product benefits and lead to higher recall of advertised benefits than non-famous brand names. There are many unfamiliar brand names and alternatives available in the market place. Consumers may prefer to trust major famous brand names for satisficing purposes. These prestigious brand names and their images attract consumers to

purchase the brand and bring about repeat purchasing behaviour and reduce price related switching behaviours (Cadogan & Foster, 2000).

Kohli & Thakor (1997) argued that a brand name involves the creation of an image or the development of a brand identity and is an expensive and time consuming process. The development of a brand name is an essential part of the process since the name is the basis of a brand's image. Brand name is important for the firm to attract customers to purchase the product and influences repeat purchasing behaviour. Consumers tend to perceive the products from an overall perspective, associating with the brand name all the attributes and satisfaction experienced by the purchase and use of the product and, indeed, any negative associations that might exist.

Duff (2007) investigated the niche market in women's cosmetics and observed that cosmetics buyers were becoming more fashion conscious and were demanding products with more attractive design; furthermore, consumers have a tendency to use different makeup designs for different occasions. It is further argued that design or visual appearance is the important part of the product, which includes line, shape and details affecting consumer perception towards a brand.

Sproles & Kendall (1986) defined fashion consciousness as an awareness of new designs, changing fashions and attractive styling, as well as the desire to buy something exciting and trendy. They also observed that brands that supply stylish packages of features can attract loyal consumers who are fashion conscious. Fashion leaders or followers usually purchase or continue repeatedly to purchase their products in stores that are highly fashionable. They gain satisfaction from using the latest brands and designs which also satisfies the consumer's ego.

Guthrie, Kim & Jung (2008) examined women's perceptions of brand personality in relation to women's facial image and cosmetic usage. This study sought to develop a better understanding of how various

factors influence perceptions of cosmetic brands in the USA. The survey included items measuring facial image, cosmetic usage, brand personality and brand attitude. The findings showed that an effective brand personality was important across all three brands, although consumer perceptions pertaining to the remaining brand personality traits differed. The study found that consumers' facial image influenced the total quantity of cosmetics used. Results also indicated that a relationship existed between facial image and brand perceptions.

Khraim (2011) argued that product quality plays a significant role in influencing consumers to be brand loyal customers. Additionally, the overall findings of the study showed that, amongst others, UAE consumers preferred brand name, product quality, price, promotion, store environment and service quality as relevant factors attributable to brand loyalty. All these factors showed positive relationships with brand loyalty, except design, which had no relationship. Undeniably, the cosmetics industry is one area which offers vast potential in the consumer market where there is an increase in social activities. More reliable and positive findings on this topic would have an impact on consumers, marketers and policy-makers. Marketers should find it useful to understand how loyalty factors can affect consumer-buying behaviour in the marketplace, which can help in segmenting consumers and markets for their brands and marketing communication. By examining how cosmetic usage determines brand perceptions, companies can improve their marketing strategies to enhance customer satisfaction and increase their customer base. Moreover, by identifying the brand personalities that attract consumers, companies can pinpoint the characteristics customers look for in a product, which in turn can be used to enhance brand image.

Cadogan & Foster (2000) argued that price is probably the most important consideration for the average consumer. Consumers with high brand loyalty are willing to pay a premium price for their favoured brand, so their purchase intention is not easily affected by price. In addition, customers have a strong belief in the price and

value of their favorite brands, so much so that they would compare and evaluate prices with alternative brands (Keller, 2003). Consumer satisfaction can also be built by comparing price with perceived costs and values. If the perceived values of the product are greater than cost, it is observed that consumers will purchase that product. Loyal customers are willing to pay a premium even if the price has increased because the perceived risk is very high and they prefer to pay a higher price to avoid the risk of any change (Yoon & Kim, 2000).

4. Methodology

The primary objective of this study is to study women's buying behaviour as regards to cosmetics in the Surat region. The secondary objectives are as follows:

- To study women's preference for cosmetics products with respect to various brands of cosmetics.
- To study reasons for purchase of cosmetics items.
- To understand sources of information that make people aware of the features of cosmetic products.
- To understand preferred channels of distribution.
- To understand brand loyalty issues for cosmetics.

4.1. Primary Data Collection Method

Primary data were collected through questionnaires completed by female cosmetics consumers. A questionnaire approach was considered to be the most effective method for collecting primary data for fulfilling the purpose of studying women's buying behaviour as regards cosmetics products. All the questions in the questionnaire were in the English language and also were interpreted in the local languages (Gujarati & Hindi) for some respondents when it was deemed necessary to seek fair and unbiased responses.

The questionnaire included both open-ended and closed questions. The various questions included in the questionnaire were intended to study buying behaviour, to understand their preferences regarding cosmetic products and about brand loyalty issues. Likert scales were used for some questions involving purchasing decisions and additional questions concerned demographic attributes of respondents.

4.2. Secondary Data Collection Method

Reference books and academic journals were consulted to determine the existing level of knowledge about consumer buying behaviour. The internet was used to collect data about the companies involved and their various brands and product lines available in the market, as well as the company's turnover and their market positions. In addition, past research survey data was used to help create the questionnaire used to collect primary data.

4.3. Sampling Details

The population for this research study consists of women using cosmetics products. Working women, housewives and college students were contacted through a face-to-face interviewing method using the questionnaire. In this study, the sampling unit is the individual consumer who uses cosmetics products. A total of 150 women consumers were contacted within the Surat (Gujarat) region and the sample were selected by a non-probability convenience sampling method to seek fair, impartial and effective data.

5. Data Analysis and Findings

Most of the respondents were young, with 49% aged between 21-25 and 20% aged between 15-20 (n = 150). As might be expected, therefore, there was a significant proportion of students in the sample (36%), although the majority of respondents (51%) described themselves as housewives (n = 150) – there remain powerful social

pressures in India which continue to limit women's ability to work outside the house and this also has an impact on marketing.

When asked what kind of cosmetics respondents used, 93% replied that they used branded products and only 7% local or generic brands (n = 150). The preference for herbal or non-herbal products was mixed, since 20% used herbal products, 45% used non-herbal products and 35% used both types (n = 150).

When asked why they bought the cosmetics that they did, the most common response was for fashion purposes (26%), followed by health (20%) and social influence (18%). Smaller responses were noted for getting attention (13%), status (11%), to improve personality (9%) and psychological satisfaction (3%) (n = 150). Interestingly, the most important source of information about cosmetics was doctors (30%), followed by friends (26%) and beauticians (25%), with shopkeepers (10%), the media (5%) and the internet (4%) lagging behind (n = 150). It is apparent that respondents have a diverse range of purposes for using cosmetics and finding out about them. Since personal relationships are important in providing information, brand managers should make sure that their information is properly conveyed to the trusted intermediaries. This understanding is reinforced by the information on the places where cosmetics are purchased, which had a number of categories with none dominant. For example, the most common response was medical stores (20%), followed by beauty parlours and general stores (both at 17%), cosmetic stores (15%), retail malls (13%), exclusive cosmetic stores (9%), online purchases (6%) and distribution agents (3%). India is a country where, generally, there remains a significant lack of upmarket retail space compared to the number of consumers now with disposable income and, in particular, with respect to the burgeoning middle class and the female half of the population. While urbanization and economic development will eventually yield more such shopping space, it remains necessary for manufacturers to establish and maintain relationships with smaller-

scale and more traditional distribution channels. This is likely to remain the case for some years.

The size of the market may be inferred from the fact that 55% of the respondents spend an average of 501-750 rupees per month on cosmetics (US\$1 = 60 rupees); 28% of the respondents spent less than this but 10% spend 751-1000 rupees and 7% more than this (n = 150). Given the size of potential market overall, it is clear that this represents a significant market opportunity. It is also clear that there is significant scope for marketers to improve their offerings, since 64% of respondents reported that they changed brands regularly and that only 36% demonstrated loyalty (n = 150). That the market is still developing rapidly is indicated by the fact that the most common reason for changing brand is that a new product has appeared on the market (28%), followed by improvements in an existing alternative product (26%). The implications for management of the marketing mix are evident from the importance of price changes (18%), packaging changes (14%) and advertising changes (12%) (with 2% choosing other reasons – n = 96). It is clearly important for marketers to establish a relationship of trust and loyalty because a remarkable 95% of respondents use the same brand for every product in the category (n = 150). Capturing a customer with one product, therefore, strongly suggests that the customer will be very receptive to extension of the brand across many product lines. This suggests that trust is very important in this market, which reinforces the information previously received that people very often receive information about cosmetics from trusted individuals. A subsequent question further demonstrated the importance of trust, since 91% of respondents indicated that they would change their brand if they received or felt that they received any form of duplicity (n = 150).

The questionnaire then moved on to the issue of the factors influencing consumption decisions. Likert scales were used to invite respondents to answer to a battery of potential factors. The responses

have been converted into an average score for comparison (see Table 1 below), with a high score of 5 and a low score of 1.

Factor	Average Score	Factor	Average Score
Brand Image	3.88	Quality	4.30
Fragrance	4.17	Quantity	4.20
Advertising	3.67	Price	3.64
Packaging	3.78	Softness	3.93
Skin Protection	4.48	Protection from Germs	4.38
Moisturizing Effect	4.38	Suitability for the Skin	4.14
Easy to Use	3.83	Availability	3.57
Refreshment	3.98	Natural Ingredients	4.12
Seasonal Change	4.12		

Table 1: *Factors Influencing Purchase of Cosmetics (n = 150); source: Original Research*

It is evident from these results that, as far as respondents claim, they are more interested in product attributes rather than other aspects of the marketing mix. In order to obtain information about the product, they either need to try it for themselves or to receive information from a trusted intermediary and this has a clear implication for communications strategy. It should also be noted that there is importance attached to the interaction between the cosmetic and the woman's skin and the suitability of the product. This suggests that international brands will not be able simply to distribute and market their products in India in exactly the same way that they might do in other countries. Instead, it will be necessary to localize the products to some extent, whether or not this means actually modifying the product itself.

The questionnaire then went on to ask about preferred brands in six different categories, shampoo, soap and whitening cream; face wash,

nail paint and lipstick. In India, as in a number of different Asian countries, the desire for a fairer coloured skin is considered to be one not just of beauty but also to have status issues involved. Although this may be politically suspicious, it is nevertheless the case that the products involved remain very popular.

Shampoo		Soap		Fairness Cream	
Pantene	20	Pears	7	Boroplus	11
Clinic plus	20	Dove	30	Fair n lovely	41
Beauty plus	9	No.1	25	Clinskin	39
L'Oreal	24	Dettol	44	Natural extracts	17
Nyle	53	Lifebuoy	58	Olay	14
Vatica	14	Madimix	5	Vicco	19
Head & shoulders	10	Lux	9	Garnier	2
Garnier	2	Nima	7	Shenaz	3
Sunsilk	1	Vivel	6	Dove	4
Himalaya	6	Nirma	2	L'Oreal	2
Face Wash		Nail Paint		Lipstick	
Ponds	52	Rio	20	Dove	34
Himalaya	29	Personi	32	Marbo	9
Dazller	25	Vov	31	Chameleon	17
Garnier	12	Lakme	34	Garnier	27
Dove	21	Finny	23	Attitude	17
L'Oreal	5	Eleven-plus	2	Elle18	9
Lakme	3	Amway	4	Revlon	2
Everyouth	2	Elle 18	14	Lakme	5
Amway	4	Nail pops	3	Baby	7
Fair n lovely	2	Dove	1	Amway	2

Table 2: Preferred Brands in Different Cosmetic Categories ($n = 150$); **source:** Original Research

It is evident that in only two categories are there definite brand leaders: Nyle shampoo and Ponds face wash. Some other brands are

very popular, for example Lifebuoy soap, but these do have powerful rivals. In most categories, therefore, no single brand has been able to secure a significant position as market leaders and that suggests again a dynamic market place in which marketers will need to plan and enact their strategies for some years to come.

6. Discussion

In terms of the primary objective, it is evident from the findings presented above that women's buying behaviour with respect to cosmetics is still evolving. Trust and personal relationships are clearly important with respect to information gathering and decision-making but most respondents seem quite happy to switch brands when new options become available in the marketplace.

In terms of the secondary objectives, it is evident that a variety of factors determines decision-making and that most categories do not have definite and fixed market leaders. This reinforces the idea that the market remains in a fluid situation and marketers need to be active to persuade consumers to switch to and become loyal to their products.

Trust is evidently an issue in this sector, as consumers seem to expect duplicitous behaviour on behalf of manufacturers and distributors while also going to trusted individuals for advice on new products. There is also the issue of the relationship between the individual and new (or untried) products which may or may not be suitable for the skin of the individual. There would appear to be benefits available for those marketers who are able to localize their products appropriately.

In terms of the place where the product is purchased, there is scope for marketers to take temporary space in a variety of different locations, since choices are diverse, through renting stalls, franchising products, offering sales promotions and so forth.

7. Conclusion and Scope For Future Research

Based on the research, it is concluded that there are many factors which may be considered as very important for respondents when purchasing cosmetics. Although brand loyalty is important for any organization because it gives surety that products will have a strong bond in the minds of consumers and this will discourage them from switching to another brands, the research here indicated that it was not easy to obtain and sustain consumer loyalty. Propensity to switch is high in what appears to be a low-trust environment and a market which is still developing, with a great deal of churn as new products appear and new opinions form about them. However, information has been gathered here which should help in structuring communications campaigns and designing promotional efforts.

Future research in this area will attempt to expand the number of respondents and to extend the geographical base. Research will also be conducted to measure perception or customer satisfaction regarding cosmetics products and on in-depth brand loyalty by considering factors affecting brand loyalty in a variety of ways.

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