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A STUDY ON THE IMPACT OF SOCIAL MEDIA IN COSMETIC INDUSTRY

¹Dr. Nisha Guruharan, ²Soniya. S

¹Assistant Professor, ²Student

¹PG Department of Commerce

¹Stella Maris College, Chennai, India

Abstract : Social media platforms have become transformative forces in the cosmetic industry, changing brand dynamics and customer behavior in the modern world. The impact of social media on the cosmetics industry is thoroughly investigated in this study, which looks into several areas including customer involvement, brand visibility, and developing trends. The research intends to disentangle the complex interactions between social media and the cosmetics business through a combination of academic research, industry insights, and empirical case studies. This will shed light on the tactics cosmetic brands use to effectively exploit digital platforms.

This study focuses on one such factor - "Social Media in the cosmetic industry" - which has been widely utilized by marketers in recent days to promote their products. It has been undertaken to gain insight into the different social media platforms and tools utilized by marketers to influence customers and the impact of these promotional activities on the behavior of a buyer. This research examines the dynamic social media trends in the cosmetic industry and fine beauty enthusiast platforms.

Index Terms - Social media marketing, cosmetic industry, Customer Involvement, Digital platforms, Social media trends.

INTRODUCTION

Today's world is taken by social media marketing websites. from the beginning, which was just started for entertainment. These days, these websites allow their users a plethora of opportunities to sell their items on different social media platforms and grow their business by drawing in customers with eye-catching ads. The cosmetics sector is undergoing a significant transition in today's digitally driven world, partly due to the widespread influence of social media platforms. Social media has developed into a vital instrument for influencing consumer preferences and business trends, from product evaluations and influencer endorsements to cosmetic tutorials and more. The present introduction explores the various aspects of social media's influence on the beauty industry, including its function in brand engagement, product discovery, consumer empowerment, and market dynamics. The direct interaction between brands and consumers on social media has transformed marketing strategies, enabling real-time engagement, immediate feedback, product adaptation, influencer partnerships, product reviews, and user-generated content to influence purchasing decisions and build brand loyalty, thereby revolutionizing the cosmetic industry. Social media influencers and beauty enthusiasts are promoting transparency in product reviews, leading cosmetic brands to prioritize quality, ingredient transparency, and ethical practices. Consumers demand authenticity and accountability, pushing the industry towards sustainable and socially responsible practices. The impact on the cosmetic industry is constantly evolving, redefining beauty standards, transforming marketing strategies, and influencing product innovation to meet global audience expectations.

SCOPE & SIGNIFICANCE OF THE STUDY

This study was conducted to analyze the impact of Social media in the cosmetic industry. Social media is crucial in the cosmetic industry, providing a platform for marketing, engagement, and market research. It allows brands to connect with consumers globally, collaborate with influencers, and foster real-time feedback. Social media also aids in trend identification and product development, influencing strategic decision-making. This study covers the responses and opinions of individuals toward the utilization of social media in the cosmetic industry.

OBJECTIVES OF THE STUDY

- To identify the potential customers being influenced by social media in the field of the cosmetic industry.
- To analyze consumers shifting to new brands based on social media influencers' recommendations.
- To analyze the various social media platforms discovered for new cosmetic products.
- To identify the type of cosmetic products frequently purchased by consumers.

LIMITATIONS OF THE STUDY

- The following are the limitations of the study.
- The study focuses on the responses of the people during the study period only.
- The study's findings may become outdated quickly due to the rapid changes in social media trends and consumer preferences in the cosmetic industry.
- The sample size is restricted to 100

RESEARCH METHODOLOGY

A research methodology is the process of identifying, and assessing various methods used in the research process and the identification of the various data collection methods and the type of approach used. This section deals with the research design applied for the research and the research tools that have been used for inferring the results.

REVIEW OF LITERATURE

Mohammad Nazreen Mayaddin (2023) This study investigates the impact of social media marketing on customers' desire to buy cosmetics. Five dimensions of social media marketing strategy were examined: entertainment, engagement, trendiness, personalization, and eWOM. Results show that each strategy significantly impacts consumer intention to make a purchase, with entertainment being a strong influence.

Michelle lois dayoh (2022): The study explores the impact of social media marketing on purchase intention in skincare cosmetics. It highlights how it can enhance consumer behavior and promote products through value equity and social brand engagement, with the results indicating a significant positive effect on value equity.

Laura Hofer (2021): Social media has become a crucial tool for brands to promote their products and services, with platforms like Instagram, Facebook, and Twitter offering new opportunities. Businesses often collaborate with influencers to advertise their products, and consumers can gather information about products through online reviews. This research investigates the impact of social media on customers' purchasing intentions in the cosmetics industry, focusing on influencer marketing and online reviews, and determining which construct has a greater influence on buying behavior.

Ayu chrisniyanti (2022): A study involving 271 Indonesian young adults aged 18-34 found that social media marketing significantly influences their intention to buy skincare products, influenced by subjective norms, perceived behavioral control, brand awareness, and social brand engagement, providing valuable insights for researchers and skincare companies.

ANALYSIS & INTERPRETATION

1. ANALYSIS OF VARIANCE (ANOVA)

The Analysis of Variance was undertaken to determine if there is any statistically significant relationship between the age of the customers and their change in attitude towards a brand based on social media promotions and information.

HYPOTHESIS

H₀: There is no statistically significant relationship between the age of the respondents and consumers have ever been influenced to try a new cosmetic brand or a product based on a social media influencer recommendation

H₁: There is a statistically significant relationship between the age of the respondent's consumers have ever been influenced to try a new cosmetic brand or a product based on a social media influencer recommendation.

ANOVA: CONSUMERS HAVE BEEN INFLUENCED TO TRY NEW COSMETIC BRANDS ON SOCIAL MEDIA INFLUENCERS' RECOMMENDATIONS.

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	3.586	3	1.195	1.437	.237
Within Groups	79.854	96	.832		
Total	83.440	99			

Source: Computed Data

Interpretation:

From the above table the output of the ANOVA, the significant value, $p = 0.237$ which is greater than 0.05 accepts the null hypothesis. This indicates that there is no significant relationship between the age of the respondents and consumers being influenced to try a new cosmetic brand or a product based on a social media influencer recommendation.

2. CHI-SQUARE TEST – MOST FREQUENTLY USED SOCIAL MEDIA PLATFORM FOR DISCOVERING COSMETIC PRODUCTS.

The Chi-Square Test of Independence has been undertaken by the researcher to determine whether there is an association between the gender of the consumers and the social media platform they use most frequently for discovering new cosmetic products.

HYPOTHESIS

H0: There is no statistically significant relationship between the gender and Most frequently used social media platform for discovering cosmetic products.

H1: There is a statistically significant relationship between the gender and Most frequently used social media platform for discovering cosmetic products.

TO DISCOVER COSMETIC PRODUCTS. Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	8.936 ^a	4	.063
Likelihood Ratio	6.713	4	.152
Linear-by-Linear Association	.076	1	.783
N of Valid Cases	100		

Source: Computed data

Interpretation:

From the above table, it can be said that the Pearson Chi-Square value is 8.936 Since the p value 0.063 is greater than 0.05, the null hypothesis is accepted. Therefore, there is no significant relationship between gender and the most frequently used social media platform for discovering cosmetic products.

3. TO STUDY THE CORRELATION BETWEEN THE FREQUENCY OF HAVE YOU EVER PURCHASED A COSMETIC PRODUCT AFTER SEEING IT ON SOCIAL MEDIA AND HOW MUCH YOU SPEND ON BEAUTY PRODUCTS AND SERVICES EVERY MONTH.

CORRELATION

HYPOTHESIS

H0: There is no significant correlation between the frequency of Have u ever purchased a cosmetic product after seeing it on social media and the frequency of how much you spend on beauty products and services every month

H1: There is a significant correlation between the frequency of Have u ever purchased a cosmetic product after seeing it on social media and the frequency of how much you spend on beauty products and services every month

CORRELATION

		Have you ever purchased a cosmetic product after seeing it on social media?	How much do you spend on beauty products and services every month?
Have u ever purchased a cosmetic product after seeing it on social media?	Pearson Correlation	1	-.207*
	Sig. (2-tailed)		.038
	N	100	100
How much do you spend on beauty products and services every month?	Pearson Correlation	-.207*	1
	Sig. (2-tailed)	.038	
	N	100	100

Source: Computed data

Interpretation:

The Pearson correlation coefficient between the frequency of Have you ever purchased a cosmetic product after seeing it on social media and the frequency of how much you spend on beauty products and services every month is -0.207. The null hypothesis is accepted as 0.038 less than 0.05. There is a negative correlation. The negative correlation means that there is no tendency between Have you ever purchased a cosmetic product after seeing it on social media and the frequency of how much you spend on beauty products and services every month.

4. FRIEDMAN'S RANK TEST:

The Friedman test was undertaken by the researcher to test for differences between the groups when the dependent variables being measured are ordinal. It was used to examine the Gender with what type of cosmetic products do you purchase most frequently?

HYPOTHESIS:

H₀: There is no statistically significant difference between the Gender and most frequently purchased cosmetic products.

H₁: There is a statistically significant difference between the Gender and most frequently purchased cosmetic products.

Test Statistics			
N		100	
Chi-Square		.216	
Df		1	
Asymp. Sig.		.642	
Monte Carlo Sig.	Sig.	.750	
	99% Confidence Interval	Lower Bound	.638
		Upper Bound	.862

Source: Computed data

Interpretation

- From the above table it shows that the type of cosmetic products purchased most frequently holds slightly more significance in purchasing decisions compared to gender. This could imply that consumers prioritize their preferences for cosmetic products over their gender when making purchasing decisions. However, the difference in mean ranks between the two factors is minimal, suggesting that both factors still play a role in consumer behaviour, albeit with varying degrees of importance.
- From the above table, The chi-square test with a sample size of 100 shows a non significant relationship ($p > 0.05$) between the variables, as indicated by a chi-square value of 0.216 and 1 degree of freedom. Both the asymptotic (0.642) and Monte Carlo (0.750) significance levels support this, with a 99% confidence interval for the Monte Carlo significance ranging from 0.638 to 0.862. Hence, there's insufficient evidence to reject the null hypothesis, suggesting no significant association between the variables.
- Based on these findings, we accept the null hypothesis (H_0) and reject the alternative hypothesis (H_1).

SUGGESTIONS

- Examine how social media platforms influence consumer behaviour in the cosmetic industry. This can include studying trends such as the rise of influencer marketing, user-generated content, and the impact of reviews and recommendations on purchasing decisions.
- Brand Awareness and Engagement Examine the strategies used by cosmetic brands on social media to establish a strong following, interact with consumers, and raise brand awareness. Examine effective social media marketing strategies and how they affect sales and brand perception.
- Users-generated content (UGC) Examine the impact of user-generated content on consumer perception and purchase decisions, including customer reviews, testimonials, and before-and-after images. Examine how cosmetic companies use user-generated content to improve their marketing strategies.
- Social Media Sites and User Preferences Analyze how various social media sites, like YouTube, Instagram, and TikTok, can be used to interact with customers and promote cosmetic items. Determine which platforms are most well-liked by the target audience and how firms may adjust their marketing accordingly.

CONCLUSION

In conclusion, the study of social media's impact on the cosmetic industry presents a rich tapestry of insights into consumer behavior, brand engagement strategies, and the evolving dynamics of digital marketing. Through meticulous examination of these interrelated facets, researchers can uncover the profound influence wielded by social media platforms in shaping consumer preferences, fostering brand awareness, and driving purchasing decisions within the cosmetic domain.

By dissecting trends such as influencer marketing, user-generated content, and viral challenges, scholars gain a nuanced understanding of the mechanisms through which social media shapes consumer perceptions and influences market dynamics.

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