

# “A STUDY ON THE FACTORS AFFECTING THE BUYING BEHAVIOUR OF WOMEN WITH RESPECT TO THE COSMETIC INDUSTRY”

Mansi Agarwal\* and Shrinivas  
Mansi Agarwal,

Student, Bachelor of Business Administration-Honors, School of Business Studies and Social Sciences, CHRIST (Deemed to be University), Bengaluru

Shrinivas Kulkarni

Assistant Professor, School of Business Studies and Social Sciences  
CHRIST (Deemed to be University), Bengaluru

**Abstract:** Today, the cosmetic industry seems like a booming economy in India and also will be the largest cosmetic consuming country in a few decades. The demands for the beautifying substances are increasing day-by-day in India. This study is conducted with the objective of analysing the factors that impact the purchasing behaviour of women and to find out which factor affects the most. The study is performed through a questionnaire distributed among 100 women in Bengaluru and the data collected is analysed using Factor Analysis in SPSS. The results of the paper show that majority of the women who are in their youth use cosmetics and that the factor brand is the most important factor considered by them while making any purchases.

**Key words:** *Buying behaviour, Cosmetic industry, social media, brand, purchasing factors of cosmetics.*

## 1. INTRODUCTION:

### 1.1. Cosmetic Industry:

Indian cosmetic industry had a rapid growth in the last couple of years, growing at a CAGR of 7.5% between (2006-2008). One of the reasons the economists relate to this situation, is that the purchasing power of the consumers increased during this time period also the fashion consciousness increased. Today, the country is seeing a tremendous growth of the cosmetic industry at a CAGR of 17.06% from the last 5 years. Most of the cosmetics manufacturers have their presence in India which caters to the domestic market of the country but they are also exporting to other countries. There are various imports done by the country from the foreign nations as all the foreign brands sell well in India.

In the recent years, cosmetics manufacturers in India have received orders from the foreign importers as India is well known for its natural herbal availability of raw materials and today the whole world believes in applying non-harmful products to their skin. Thus, the country has its presence in herbal cosmetics all over the international market.

## 2. LITERATURE REVIEW:

(Mr. Suresh, 1999) The article “A study on factors determining Social Media on Cosmetic Product” is written by three professors Mr. Suresh, Dr. Chitra and Dr. Maran. In this article they have stated that the cosmetic industry has seen a rapid growth due to the social media existence. The objective of this study was to determine the factors that affected the product. The data has been collected from both primary and secondary data. The

methodology adopted is descriptive research design and the conclusion drawn from the article was that there was no doubt that social media advertising helped in increasing awareness and sales of the cosmetic products.

(Ahmed, 2002) The article “A study on the purchase behaviour and cosmetic consumption pattern among young females in Delhi and NCR” it is written by Abdullah Bin Junaid and Faheem Ahmed. The study mainly focuses upon the marketing variables that affect the female cosmetic consumption and also the decision making process of the consumers. This research focused on the target group of 15 years to 35 years females living in Delhi. The data was taken through questionnaires and analyzed by using SPSS. The study suggests that income level has a major influence over the buying behaviour of the females. Also, the study found out that the female today prefer buying cosmetic products which are made up of natural ingredients rather than the chemicals one.

(Manohar) The article “Factors influencing the buying behaviour of face care products among youth” has been written by Ligo Koshy and Dr.S.John Manohar. This article focuses on the factors that have an influence over the purchasing pattern of consumers for face care products. The study was conducted with the help of surveys and getting responses from 200 people who were college students in Kerala. The survey also used the Garrett Ranking technique and found out that the female users gave prime importance to the brand name followed by the ingredients used and the advertisements as well.

(Stocia, 2005) The article “Social media and its impact on consumer behaviour” is written by Elisabeta Ioanas and Ivona Stocia. The article talks about how through technology the companies can complement information about their products and how the consumers respond to it. The research had a total of 116 respondents and was analysed with the help of SPSS and the results proved that there was a positive impact of advertising the products over the social media which today has great importance in the lives of the consumers. The consumer behaviour was thus impacted by the social media.

(Gupta, 2006) The article “Impact of social media on purchase decision making of customers” written by Gupta and Vandana. This article talks about the social media revolutionization from its traditional methods to its growth in the present world. The importance that social media has today in the world is tremendous and this paper focuses on how the behaviour of the people is affected by the social media. The study was conducted by giving questionnaires and later it was analyzed using SPSS. The results indicated that the social media has both a positive and a negative impact about the products and thus it can confuse the customers at times. The reviews, opinions and likes or dislikes given by other consumers can affect the choice of the consumers.

### **3. RESEARCH METHODOLOGY:**

#### **4.**

#### **3.1 Objectives:**

- To study the factors such as brand, price, ingredients etc. to see if they impact the purchases.
- To analyse which factor is considered to be the most important while purchasing cosmetics.

#### **3.2 Scope of the study:**

This topic of consumer buying behaviour and how it is influenced by social media marketing itself is a broad topic and conducting such a study on a vast scale is technically not possible. Thus the scope of the study extends only upto the country India and specifically in Bengaluru targeting only the women who purchase and use cosmetics

#### **3.3 Sampling:**

The sample size used for this study is 100 women who are staying in the area of Bangalore and definitely use cosmetics. The sampling technique used for this study is targeting women staying in Bangalore and is going to be obtained through the method of Snowball technique of sampling.

### 3.4 Sampling technique:

The snowball sampling technique refers to the technique where the questionnaire is distributed in the method of giving the questionnaire to one person who then further circulates it to their known people. So I distributed my questionnaire to my classmates who are from Bengaluru who further filled it up asking their mothers and sisters. Also I distributed to my cousins who stay in Bengaluru who further sent it to the building people.

### 3.5 Data collection:

Primary data has been collected by a survey method through a structured questionnaire. The women who shopped cosmetics and came out of the malls like Central, Forum, Garuda etc. Also it was sent to women studying as well as working through the online mode. The method for data collection for this study is going to be through the format of issuing questionnaires to the women this will take place through the link that will be sent to them online and will be asked to fill the form.

### 3.6 Limitations:

- Time acts as a constraint.
- The data collected is applicable only to women living in Bangalore and cannot be generalized for the whole of India.
- The preferences of the women may change over time, so the data collected is applicable only for the present time.

## 5. DATA ANALYSIS:

### KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.829
Approx. Chi-Square		185.290
Bartlett's Test of Sphericity	Df	21
	Sig.	.000

### Analysis:

Based on the above data we can interpret that the factors are adequate in nature. 0.829 falls between 0.8 – 1 which strongly signifies that the factors taken for research is adequate and have correlation among them. In Kaiser's words any data falling between 0.80 to 0.89 is considered as the meritorious.

**Table 4.2 Factors affecting the purchase of cosmetics**

### Communalities

	Initial	Extraction
Brand	1.000	.891

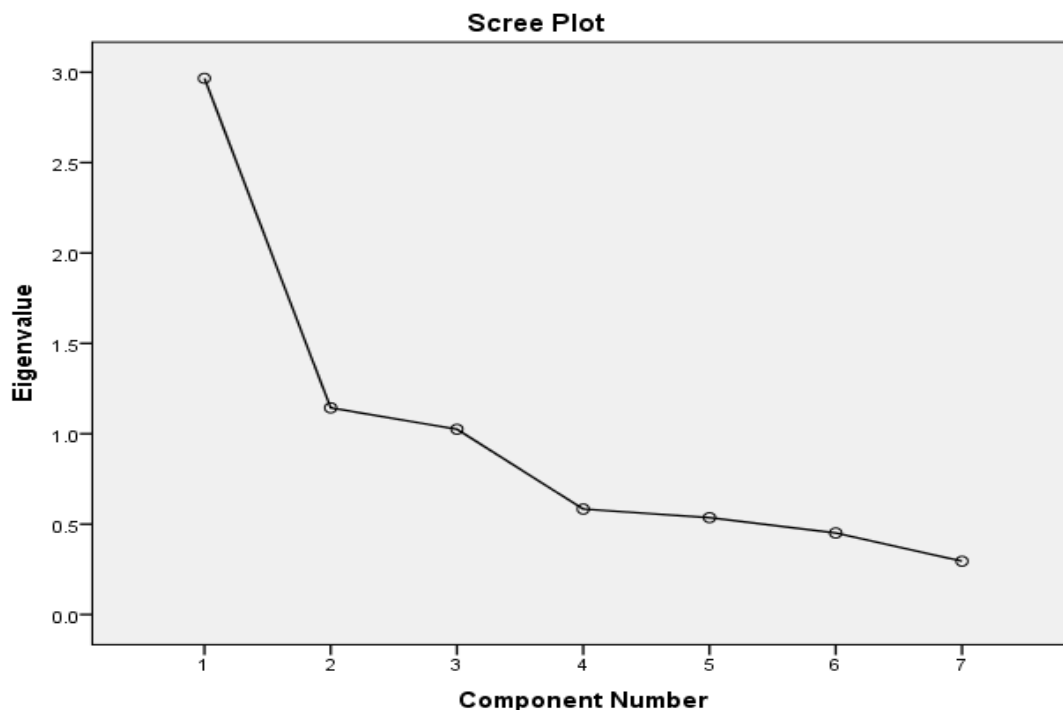
Price	1.000	.870
Ingredients	1.000	.653
Brand_Ambassador	1.000	.649
Volume	1.000	.647
Return_Policy	1.000	.637
Safety	1.000	.788

### Analysis of Communalities:

The above factor analysis tool has been taken to analyse the 7 factors such as the brand, price, ingredients, brand ambassador, volume, return policy and safety. The table depicts that brand has .891 of importance, price has .870, safety has .788 and ingredients have .653 both the brand ambassador and volume are considered to be almost the same and the least importance being the return policy with .637. Thus, it can be interpreted that brand is the most important factor that is considered by the women while purchasing cosmetic products.

Among the cosmetic brands the most used brand by women is Lakme. The least important factor among all the factors is the return policy as the companies which sell the cosmetics once do not like to take it back. Also, the women purchase the products only after testing them in the malls irrespective even if they are buying them online, they first use the testers in the store and analyse them properly and only after that do they consider purchasing them.

**Figure 20: Scree Plot Diagram showing the factors**



**Analysis of Scree plot:**

From the Graph we can analyse that first factor contributes the most which is brand which is considered to be the most important factor. There is vast difference between first factor and second factor, which signifies that first factor, has more impact on the purchasing behaviour of women. There are 7 factors which are above 1 which means that, these 7 factors contributes more than other.

**Component Matrix<sup>a</sup>**

	Component		
	1	2	3
Price	.756		
Ingredients	.744		
Brand_Ambassador	.732		
Volume	.721		
Safety	.720		
Brand		.749	-.497
Return policy	.428		.802

Extraction Method: Principal Component Analysis.

a. 3 components extracted.

**Analysis:**

The table above shows the loadings of the 7 variables on the 3 factors extracted. The higher the absolute value of the loading, the more the factor contributes to the variable. The gap on the table represent loadings that are less than 0.5 as these variables contributes very low. The return policy is below 0.5 which shows that this factor contributes the least and is the least important factor considered while making cosmetic purchases by women.

**Rotated Component Matrix<sup>a</sup>**

	Component		
	1	2	3
Price	.884		
Ingredients	.791		
Brand_Ambassador	.782		
Volume		.929	
Safety		.609	
Brand			.942
Return policy	.423		.547

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 4 iterations.



## Analysis:

The idea of rotation is to reduce the number factors on which the variables under investigation have high loadings. Rotation does not actually change anything but makes the interpretation of the analysis easier. The above table represents the 3 rotation. In first rotation the price is considered to have the highest variance. In Rotation 2 volume of the cosmetic product has high variance. In rotation 3 Brand has the highest variance among all the rotation.

## CONCLUSION:

Thus, from the above research conducted we can conclude by saying that the most important factor considered by women before making any purchase is the Brand of the cosmetic product as the women value the brand the most. A good branded cosmetic product ensures that the product is of good quality and also will last long without harming the skin. The women also check all the ingredients that are present in the cosmetic product as they are strictly against using chemicals today. One of the most preferred brands for cosmetics today is Lakme.

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