

# Study of Factors That Influence the Consumer Behaviour Towards Cosmetics - Conceptual Frame Work

*“Amazing things happen when you listen to the consumer”*

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**Abstract --** *This current paper is aimed to discuss about the general factors that influence of consumer behaviour towards cosmetics. We the human beings live in a society where the people perception mainly depends on appearance of a person; hence the cosmetics industry plays a vital role in everybody life either directly or indirectly. This paper brings an overview that how the people are influenced towards cosmetics which factors make them to move towards cosmetics in detail. The concept is difficult to understand, but it is important for efficient and effective marketing. Consumer behaviour consists of actions, reactions, and responses in relation to the products bought and services sought. Factors such as personality, perception, attitude, and learning on the one hand and the product, price, physical attributes, advertising and societal influence on the other shape the behaviour of consumers. The range of cosmetic and beauty products in India has widened terrifically. Indian competitors have begun to manufacture products to make available to an international need.*

**Indexed Terms:** *Consumer, Behaviour, Cosmetics, Psychology, Social.*

## I. INTRODUCTION

Consumers wear makeup for the purposes of “sexual attractiveness,” “social and professional interaction success,” “emotional pleasure,” “better physical appearance,” “self-perception,” and to create a “symmetrical face”. Consumers consume different products and services according to their needs, preferences and buying power. They consume perishable items, durable goods, specialty goods or industrial goods. Consumers have a wide number of alternative suppliers for the goods, they need. Cosmetics have been used for thousands of years; use of cosmetics can be traced back to ancient times, including the Egyptian, Greek, and Roman eras. In recent decades, the cosmetic industry has prolonged

rapidly, in keeping with remarkable growth and hostile consumption in the Asian, Eastern European, and South American markets (Kumar, 2005).

A boom in the Indian fashion industry has been linked to the increased awareness of Indian people about their appearances & consequently contributed to an increase in the demand for cosmetic products. Indian competitors have begun to manufacture products to make available to an international need. Herbal cosmetics from India have a great demand in the overseas market and many cosmetic products that are manufactured in India today are supplied to international suppliers of branded cosmetic products like the Baby shop. New facts that have been revealed that the industry of cosmetic products in India is growing at an average rate of almost twenty percent annually; this increase is attributed to two main factors. There are also many reasons for the increased demand for cosmetic products. With the introduction of satellite television and a wide array of television channels as well as the internet, the average Indian consumer is constantly bombarded with advertisements and information on new cosmetic products which often translates into the desire to purchase them.

The emergence of rural market as a viable proposition has sparked a new interest among marketers to explore and understand them (Lalitha Ramakrishnan, 2005). needed to consider when designing and implementing marketing programs. Failure to understand the dynamic buyer behaviour and improper allocation and coordination of resources will lead the organization to great losses. There are three sections of consumer behaviour that need to be addressed carefully: psychological influences, socio-cultural influences and situational influences. The marketers have to go through a number of challenges in selling products like

„cosmetics“ as they have to be applied directly on human skins, body and other parts. There is a perceived risk of dissatisfaction in the consumers as far as its benefits are concerned. It is necessary to study the consumer buying decision process in this regard. Consumer is that foundation of every business. consumer sees, thinks, prefers, and buys is of great importance to marketers to fine tune their marketing offers and achieve high level of consumer acceptance and satisfaction.

## II. LITERATURE REVIEW

Consumer Behaviour by Leslie Lazar and Schiffman: The authors suggested consumer behaviour as individual differs as from group. The family decision for a purchase decision is entirely different from individual decision making. The authors discussed various variables that affect consumer purchase decision. The book focused on family life cycle and various needs of consumer during different life stages. The family decision making process as a group decision making is elaborated and it is recommended to segment the market according to family need hierarchy.

Consumer Behaviour Christopher (1989) studied the shopping habits of consumers to form an idea of whether or not the store concepts, product ranges and strategies of the companies are appropriate towards consumer requirements. He believed that consumer behaviours are unpredictable and changing continuously changing; while trying to under try to understand how individual or group make their decision to spend their available resources on consumption-related items. These are factors that influence the consumer before, during, and after a purchase (Schiffman and Kanuk, 1997), for example, feedback, from other customers, packing, advertising, product appearance, and price (Peter & Olsonetc, 2005).

The essence of this approach is critical for organisational success, so that they can have a better understanding of their customer behaviours (Solomon et al., 2006). The physical action or behaviour of consumer and their buying decision every day can be measured directly by marketers (Papanastassiou and Rouhani, 2006). For that reason many organisations these days are spending lot of their resources to

research how consumer makes their buying decision, what they buy, how much they buy, when they buy, and where they buy (Kotler, Amstrong, 2001). To get a well coherent result, organisations normally looked at these behaviour base their analysis on difference conceptions; whether customers buying behaviour were measured from different perspectives, such as product quality and better service, lower price structured etc (Papanastassiou and Rouhani, 2006)

Consumer Behaviour by Hawkins, Best, Coney and Mokherjee: The authors of the book discussed various factors affecting consumer behaviour for buying such as demographic and social influences (family and household), group influence, impact of advertising and internal influences (learning, perception, attitude etc.). The book elucidated the topics such as types of consumer decisions, purchase involvement and product involvement. The book also emphasized on information search process and various ways for providing relevant information to the consumers are recommended in this study. The book also emphasized on individual judgment and proposed that the ability of an individual to distinguish between similar stimuli is called sensory discrimination which could involve many variables related to individual preferences

Different theories and researchers have claimed that when organisation fully meet all aspects of its customer needs, the result enhances their profitability (Chaudhuri, 2006), and also enable them to develop a better tackling strategy for consumer (Asseal, 1998). Possibly, the most challenging concept in marketing deals with the understanding why buyers do what they do and what method or philosophy are they using to evaluate the product after the transactions and what might be the effect on future transaction (Schiffman, 2004). The reason why marketer chooses to learning about consumers” buying behaviour is, from a business perspective; to be able to be more effectively reach consumers and increase the chances for success (Sargeant & West, 2001). Therefore, the field of consumer behaviour has taken a tremendous turn in the commercial world and became the fundamental concepts of achieving company goal (Schiffman and Kanuk, 2007).

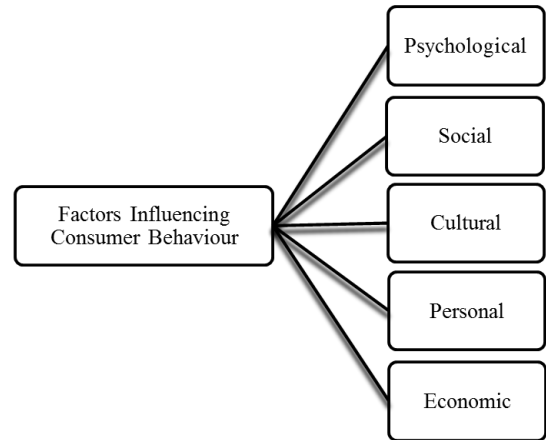
More recently, different researchers and author have given their definition and meaning of consumer behaviour. For Michael R. Solomon (2001) consumer behaviours typically analyse the processes of group selected or individual purchases/dispose of product, service, concept or experiences to satisfy their need and desires. Additionally, Kotler (1996) suggested that consumer behaviours have a huge impact in a firm marketing decision making process every year. There is a risk that what a consumer does will inflict on his or her behaviour and generate consequences. (Snoj, Pisnik Koda & Mumel, 2004). The user and the purchaser can be different person, in some cases; another person may be an influencer providing recommendations for or against certain products without actually buying or using them (Solomon 1999; Solomon et al. 1999).

In this case, most of the large consumer electronics retailers tend to be gathered more information about customers motivating factors and what influences their buying behaviour Solomon & Stuart (2000).

To get in-depth understanding consumer behaviour concepts will gives us an idea on how its plays significance role in our life and in the whole trend of business profit to various firms which will allow the researcher to get the analysis and determine product positioning, develop the message and targeting strategy in order to reach to the market (Holskins J, 2002).

### III. RESEARCH METHODOLOGY

From the above literature review we can able to find so many factors that are influencing the consumer behaviour like physiological, social, cultural, personal and economic factors. A Literature Review is a Descriptive Literature Review study conducted with the help of Secondary Data. The study aims at understanding the core of Consumer Behaviour concept and reviewing the Literature available in the field of Consumer behaviour studies across Industries



### IV. EVOLUTION OF CONSUMER BEHAVIOUR

Evolution of consumer behaviour started with manufacturing orientation followed by selling orientation and then it switched over to marketing orientation.

#### *Manufacturing Concept*

In the mid1800s, manufacturing concept emerged and blossomed during the U.S. civil war. Manufacturers were given power from late 1800 to the latter part of the 20th century to sell whatever products they manufactured due to lack of competitive pressure. This concept assumes that consumers mostly prefer the products at low prices. Consumers buy what is available in market rather than what they really want. Manufacturers had the ability to decide the type of product, quality of the product and package of the product. The effects of depression had a direct impact on the consumers. It resulted in very little spending power of consumers, attributing it to the lack of interest in consumer behaviour.

#### *Product Concept*

Later consumers prefer high quality products which give them the best performance and numerous features. The manufactures strive to improve the quality of the products with new features that are technically feasible without finding out whether consumers really need them or not. This concept led to “Marketing Myopia”, that is focus on the product rather than on consumer needs it presumes to satisfy

*Selling Concept*

The Second World War contributed to a lack of interest in consumer behaviour because during that period product scarcity prevailed. In this concept marketers attempted to sell products that they unilaterally decided to produce. The assumption of this concept was that consumers were not willing to purchase products unless they were actively and aggressively persuaded to purchase. When consumers were induced to buy a product which they were not in need, they would not buy them again. This concept did not take care of consumer satisfaction.

*Marketing Concept*

In 1950s marketers realized that they could sell more goods easily by producing goods which were preferred by the consumers. Various concerns conducted research to understand the consumer needs and manufactured goods accordingly. Modern-day marketers gave due consideration to quality, convenience, image and advertising, helping the transition of organizations to produce goods according to the preference of the consumers. Behavioural sciences took centre stage and provided a tool box of theories and methodologies borrowed by innovative marketing organizations, including motivation research, positivism and post modernism.

V. FACTORS INFLUENCING CONSUMER BEHAVIOUR

The marketers try to understand the actions of the consumers in the marketplace and the underlying motives for such actions. These motives are the factors that influence the consumer behaviour. These are:

*Psychological Factors*

The human psychology plays a crucial role in designing the consumer's preferences and likes or dislikes for a particular product and services. Some of the important psychological factors are:

- Motivation
- Perception
- Learning
- Attitudes and Beliefs

*Motivation*

Motivation is a process of creating motives. A motive is defined as an inner urge that moves or prompts an action. Motivation to purchase a product becomes positive when the product corresponds to a need or a motive, which is to be satisfied. The motivation becomes stronger when such satisfaction is very important to the consumer.

Motives

Primary	Secondary
Food and drink	Bargains
Comfort	Information
To attract the opposite sex	Cleanliness
Welfare of loved ones	Efficiency
Freedom from fear and danger	Convenience
To be superior	Style, beauty
Social approval	Economy, profit
To live longer	curiosity

(Source : Melvin S. Hatwick, How to Use Psychology for Better Advertising, Prentice Hall Inc., Englewood Cliff; NJ:1950, pp. 15-26.)

*Perception*

Perception is the process by which an individual select, organizes, and interprets stimuli into a meaningful and coherent picture of the world. Stimuli may include products, packages, brand names, advertisement, and commercials, and so on. Perception is an individual process and depends on internal factors such as an individual's beliefs, experiences, needs, moods, and expectations. Perception is also influenced by the characteristics of stimuli such as the size, colour, and intensity, and the context in which it is seen or heard. As consumer perception significantly affect their behavioural responses to marketing activities, consumer attitude towards marketing have been found to be linked to several key macroeconomic variables and have been used in economic forecasts (Chopin and Darrat, 2000). Perception includes three distinct processes:

- Sensation
- Information selection
- Interpreting the information

#### *Learning*

Learning is through action. When we act, we learn. It implies a change in the behaviour resulting from the experience. The learning changes the behaviour of an individual as he acquires information and experience. □ For example, if you are sick after drinking milk, you had a negative experience, you associate the milk with this state of discomfort and you “learn” that you should not drink milk. Therefore, you don’t buy milk anymore. Rather, if you had a good experience with the product, you will have much more desire to buy it again next time

#### *Beliefs and Attitudes*

A belief is a descriptive thought that a person holds about anything. Beliefs may be based on knowledge, opinion, faith, or emotion. A rural buyer of a watch holds the belief: “heavy watches are good in quality, durability, and reliability”. Attitude describes a person’s relatively consistent evaluation, feelings, and tendencies towards an object or idea. It has three components:

Cognitive - information evaluation and inference

Co native - emotional feelings

Behaviour - disposition to do or not to do

#### *Social Factors*

The human beings live in a complex social environment wherein they are surrounded by several people who have different buying behaviours. Since the man is a social animal who likes to be acceptable by all tries to imitate the behaviours that are socially acceptable. Hence, the social factors influence the buying behaviour of an individual to a great extent. Some of the social factors are:

- Family
- Reference Groups
- Roles and status

#### *Family*

Family is an important consumer-buying organization in consumer markets. Family size and roles played by family members exercise considerable influence on purchase decision. In a family, the male head makes the decisions in most of the cases.

#### *Reference Groups*

Humans, being social animals form groups and develop behaviours with reference to groups they like. Associated groups are the groups to which a consumer belongs as a member. They are: Primary groups-in which there is a regular and informal interaction, for example, family, friends and neighbours. Secondary groups-in which the interaction is formal and less regular, for example, offices, political groups, and self-help groups.

Reference groups are aspiration groups, which serve as guideposts to shaping the attitudes and behaviour of consumers. For instance, sports teams and culture associations can be reference groups to the rural youth. Opinion leaders are those people, who, by virtue of their competence or acceptability wield influence on others. They are well informed and reliable in their opinion. As such, opinion seekers and followers seek them. In a village, opinion leaders can be a sarpanch, a teacher, a bank manager, a village development officer, a doctor, a manual youth extension officer or a social worker (Rebecca Gardyn, 2000).

#### *Roles and Status*

Every person is a member of more than one group or organization. In each one of them, the individual has a role and status. Role refers to the behaviours expected of the individual as a member of the group. Status refers to the place given to the individual because of his or her position or achievements. It reflects the general esteem given to him/her by society. High-income group people to reflect their status use premier products. A sarpanch and head master enjoy a higher status in a village, people trust them and expect them to be exemplary. Accordingly, they try to make sound purchase decisions and provide rational advice to the people who seek their opinions.

*Cultural Factors*

It is believed that an individual learns the set of values, perceptions, behaviours, and preferences at a very early stage of his childhood from the people especially, the family and the other key institutions which were around during his developmental stage. Thus, the behavioural patterns are developed from the culture where he or she is brought up. Several cultural factors are:

- Culture
- Subculture
- Social Class

*Culture*

Basic cultural values have not faded in rural India. Many rural purchases require collective social sanction, unheard of in the urban areas. Buying decisions are highly influenced by social customs, traditions, and beliefs. Social norms influencing individuals are more visible. Caste influences are direct and strong. However, the rural youth are more open to fresh concepts unlike their elderly family members. They are better educated and have aspirations similar to those of the youth of urban India. Rural consumers being conservative in their outlook, take longer time to be influenced. They do not take quick decisions. They discuss the issue of purchase with other villagers and the headman. Decision-making is thus a collective and time-consuming process.

*Subculture*

Each culture contains subcultures or groups of people with shared value systems based on common life experiences and situations. Subculture includes nationalities, religions, racial groups and geographic regions. Many subcultures makeup important market segments and marketers often design products and marketing programs tailored to their needs.<sup>5</sup>

*Social Class*

Social classes in rural areas are difficult to define for two reasons. Occupations are not the same throughout the year. (b) Incomes are understood. Many farmers and artisans receive cash and kind as their remuneration. However, the upper and middle-upper

class segment of rural markets is positively responding to the stimuli offered by marketers of premium products (Richard, 1983).

*Personal Factors*

There are several factors personal to the individuals that influence their buying decisions. Some of them are:

- Age and life cycle
- Income
- Occupation
- Lifestyle
- Personality and self-concept

*Age and Life-Cycle Stage*

Buying is influenced by the age and life cycle stages of people. A look at table presents the picture of the consumption by age and life cycle stages.

Age	Life-Cycle Stage	Products	
		Urban	Rural
Below 12	Child	Book, Pencil, Noodles	Slate, Pencil, Kanji
13 – 19	Teenage	Mopeds	Cycles
20 – 40	Young	A/c Restaurants, Coke	Tea stalls, soda
40 – 60	Middle aged	Credit cards, Readymade garments,	Bank accounts, Tailored clothes, Small library, village
Above 60	Old	Clubs, Parks	Centre under a big tree

(Sources: Lalitha Ramakrishna, “Rural Marketing”, Pearson Education Pvt, Ltd., New Delhi, 2005)

*Income*

The purchasing power of an individual is the prime consideration for marketers. If the disposable income of an individual is high. Obviously, he or she can buy a number of popular goods or a few expensive goods. Marketers have to find the income sensitivity of the goods and services they offer and make decisions such as offer low priced pack sizes. Price the goods moderately, Offer instalment purchase schemes,

five heavy discounts or incentive goods with the purchase

Today, sachets of shampoos, toothpastes, hair oils, skin creams, cough syrup, and several other products tap the vast rural market. The small unit purchase is convenient to rural who are mostly daily wage earners.

#### *Occupation*

Evidently, the goods and services bought by a person are influenced by the occupation of the individual. Farmer buys a tractor and a carpenter buys a hacksaw. People who work in the fields buy shirts, dhoti, and upper cloth and those who work in the offices wear shirts and trousers.

#### *Lifestyle*

Lifestyle is a person's pattern of living. The pattern of living is determined by the activities, interests, and opinions of people. Activities - work, hobbies, shopping, social events, etc Interests - food, fashion, family, recreation, etc Opinions - about self, society, government, business, etc

#### *Personality and self-concept*

Personality refers to the unique psychological characteristics that lead to relatively consistent and lasting responses to one's own environment. To relate personality to products people, purchase, there are two aspects to be considered –situation and person. When in a social gathering, youth prefer to buy mineral water bottles or sachets, food packets, etc. given the situation, the response patters vary from individual to individual.

A conservative person may offer tea, whereas a jovial, 51hedonistic type may buy Pepsi cola for his friends. A person low on sociability will prefer drinking tea standing alone at a corner tea stall. Modern marketers are increasingly concerned about matching products to the perceived self-personality of the individual (Lalitha Ramakrishnan, 2005).

#### *Economic Factors*

The last but not the least is the economic factors which have a significant influence on the buying decision of an individual. These are:

- Personal Income
- Family Income
- Income Expectations
- Consumer Credit
- Liquid Assets of the Consumer
- Savings

These are some of the underlying factors that influence the consumer behaviour, and the marketer must keep these in mind, so that appropriate strategic marketing decision is made.

#### *Personal Income*

The personal income of an individual influences his buying behaviour as it determines the level to which the amount is spent on the purchase of goods and services. The consumer has two types of personal incomes disposable income and discretionary income.

The disposable personal income is the income left in hand after all the taxes, and other necessary payments have been made. The more the disposable personal income in hand the more is the expenditure on various items and vice-versa.

The discretionary personal income is the income left after meeting all the basic necessities of life and is used for the purchase of the shopping goods, luxuries, durable goods, etc. An increase in the discretionary income results in more expenditure on the shopping goods through which the standard of living of an individual gets improved.

#### *Family Income*

The family income refers to the aggregate of the sum of the income of all the family members. The total family income also influences the buying behaviours of its members. The income remaining after meeting all the basic necessities of life can be used for the purchase of shopping goods, luxury items, durable goods, etc.

#### *Income Expectations*

An Individual's expectation with respect to his income level in the future influences his buying behaviour today. Such as, if a person expects his income to increase in the future, then he will spend more money on the purchase of the luxury goods, durables and

shopping goods. And on the contrary, if he expects his income to fall in the future his expenditure on such items also reduces.

#### *Consumer Credit*

The credit facility available to the consumer also influences his buying behaviour. If the credit terms are liberal, and EMI scheme is also available, then the customers are likely to spend more on the luxury items, durable goods, and shopping goods. This credit is offered by the seller either directly or indirectly through the banks and other financial institutions.

#### *Liquid Assets*

The liquid assets with the consumer also influences his buying behaviour. The liquid assets are the assets that are readily convertible into the cash. If the customer has more liquid assets, then he is likely to spend more on the luxury items and the shopping goods. On the other hand, if the liquid assets are few then the expenditure on luxury items also reduces.

#### *Savings*

The amount of savings out of the personal income also influences the consumer buying behaviour. Such as, if the customer decides to save more for a particular period, then his expenditure on the other items will be less and in case the savings are less the expenditure on other items increases.

Apart from these factors other economic conditions such as inflation, recession, business cycles, etc. also influences the consumer buying behaviour.

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