

CONSUMER BEHAVIOUR TOWARDS COSMETIC PRODUCTS: A CASE OF DELHI NCR

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ABSTRACT

Cosmetic industry has been growing at the rate of 20% per annum approximately and is currently standing at US\$950 million in India. It comes under the sustainable development goals 2030 laid by the UNDP under the industry, innovation and infrastructure. The purpose of this paper to analyze the factors which influence the purchase of cosmetic products among Indian consumers. The objective of the study is to find the correlation among the factors and income and to find the extent of dependence between the significant factors and purchase of cosmetic products (the explanatory variable). Snowball sampling method has been adapted for the study and primary data from 400 respondents has been collected in this regard, from the cosmetic product users of Delhi-NCR which was returned with a response rate of 100%. Demographic features like age, gender, income, occupation are used and various statements to find the awareness and attitudes are analyzed using pie charts and bar graphs. The tools like factor analysis, F-test, ANOVA have been used for determining the factors affecting the purchase of cosmetic products. The findings of the paper focus on the decision making of the consumers. It has been seen that social factors majorly influence the consumers purchase decision regarding cosmetic products.

Keywords: Cosmetic Products, Consumer behavior, Social, Cultural, Psychological

INTRODUCTION

Consumer behavior is the study of people, groups or associations and various activities which are related with the purchasing, usage and disposal of all goods and services available with the consumers. Cosmetic product is one of such goods available with the consumers in a large variety. It is an item which is used to enhance the external appearance of a human body. For example, all kinds of make-up products, toothpaste, soap etc.

Indian cosmetic industry includes skin, hair, color and oral care and is estimated at 30 billion Indian rupees in 2017. Since 1990s with the liberalization along with the crowning of many Indian women in beauty contests with two Miss Universe (1994 and 2000) and four Miss World Crowns (1994, 1997, 1999, 2000) the Indian cosmetic industry has gained momentum. Indian purchasers are more disposed towards herbal and organic cosmetic products. It is broadly trusted that alongside the developing fame of yoga, the win by Indian marvels on the International platform contributed to the industry at a high level.

The Indian cosmetic industry has proved to one of the unique industries carrying high potential for future growth. The market share of the industry is expected to grow at 18% per annum and the output of the industry is expected to grow at 20% per annum. This growth is majorly expected because of the increased demand of herbal/organic cosmetic products. The source of this boom in Indian cosmetic industry is the increased awareness among the people which led to high demand of the products, especially organic or herbal products with the introduction of Patanjali products. The top leading companies in India are Lakme, Revlon, Oriflame Cosmetics, Biotique, Himalaya Herbals, VLCC, Dabur etc.

Identification of the problem:

The Indian cosmetic market which earlier had a few major players including Lakme and Ponds has seen a lot of foreign entrants to the market. Thus, with the advancement of trade, technology and competitiveness in the economy, India being a price sensitive market has to innovate and fight for its place in the market and perform up to its potential.

The lack of distribution network leading to products being available in limited areas of the country and the psychology of the consumers attached with the usage of cosmetic products are the causes of the unexplored potential of the Indian cosmetic industry. Here comes the role of analysis of consumer behavior which can give effective suggestions on overcoming the challenges faced by the industry.

For effective consumer behavior analysis, the basis of the decisions taken by the consumers must be clear. It includes the pattern, preferences, motivation, influence and consumer buying process which depends on cultural, social, psychological and personal factors which have to be studied thoroughly.

Rationale of the study:

The primary objective of the study is to identify the factors that affect the consumer's behavior towards cosmetic products so that it could help the Industry to maintain their place in the market and can meet the required demands of the consumer regarding a particular product. In this way, they could retain their existing customers and can even increase their customers.

This study identifies not only the factors that affect the consumers behavior for the purchase of cosmetics but also provides an answer to the question that who are the users of such products by taking into account the demographic variables like age, gender, income and occupation and also examines the influence of various factors on the consumer while purchasing cosmetic products.

Research Questions:

1. What is consumer behavior?
2. What incorporates consumer behavior?

3. What are the factors affecting consumer behavior?
4. What components can be included in those factors?
5. What are the socio-demographic characteristics of the cosmetic product users?
6. What perception do people create regarding cosmetic product users?
7. What motivates the purchase of cosmetics among consumers?
8. What role does buying habit play in consumer behavior?
9. Does price effect the purchasing of cosmetic users?
10. What role past experiences play in decision making process of consumers?

Objectives of the Research:

1. To find out how cultural, social and psychological factors influence consumers while purchasing cosmetic products.
2. To find the correlation between the factors and income using ANOVA.

Summary:

The study has been carried out in order to find the correlation between the factors that influence the consumer's behavior towards cosmetic products and income. The quantitative study has been conducted by preparing and circulating a well-structured questionnaire to the 400 respondents. The method of Snowball Sampling has been used in this research study because of ease of accessibility of the sample. The next step is to examine the demographic variables of the users of cosmetic products and to identify and illustrate the relevant factors for the same. Then, data analysis was carried out through the statistical tool ANOVA between income and the relevant factors after applying the Factor Analysis for short listing of the factors. From the data analysis part, it has been concluded that

1. Around 78% of the females use cosmetic products while only 22% of the males were recorded for the same.
2. Out of 15 chosen factors i.e., income, price, durability, brand, packaging, advertisement, features, product assurance, information/awareness, trust, external influence, perception, motivation, past experience and herbal product 6 are the relevant factors that influences the consumer behavior towards cosmetic products (determined from factor analysis) :
 - i. Income
 - ii. Price
 - iii. Past experience
 - iv. Trust
 - v. Influence
 - vi. Motivation

3. Out of the 6 relevant factors (mentioned above), trust is the most effective factor (in terms of average) followed by influence and lastly the past experiences in affecting consumer behavior towards purchasing cosmetics.
4. The study also revealed that, corresponding to different income level social, cultural and psychological factors affect all the respondents in the different manner (implied by F-test in ANOVA).
5. Each factor plays a different role in effecting each respondent's behavior regarding cosmetic products.
6. When the demographic variables are taken into account, the following are the findings that can be concluded:
 - i) The youngsters (15-25 in age) form the majority of people who consume cosmetic product regularly.
 - ii) A large chunk of population that uses cosmetic products is students.
 - iii) Majority of demand comes from the section of individuals whose family income lies in the range of 25000-50000.

But, this study has some limitations too. One of the greatest limitation is that the results obtained from p-value suggests that with different income levels the social, cultural and psychological factors have same effect on the respondents which is opposing the results obtained from F-test.

REVIEW OF LITERATURE

Studies on consumer behavior are reviewed below:

1. A study on consumer buying behavior of cosmetic products in Kohlapur by KisanShivajiRao Desai. The study was to analyze the buying process and the effect of media communication on buying behavior on consumers. The results showed that different factors have significant influence on buying behavior and it also contributes to the knowledge of various cosmetic companies as they can easily understand the purchasing propensities of consumers.

Research Gap- The study provides no concrete base as it is based on percentage analysis and no study of factors have been carried out. Other than that, sample size is too small which makes the study unreliable.

2. A study on factors influencing consumer buying behavior in cosmetic products by A.H Hemanth Kumar, S. Franklin John, S. Senith. The study was to find how consumer behavior factors influence the purchasing of cosmetics and to find out the influence of income level on the behavior. The

results showed that statistically significant differences were found in income level among the factors of consumer behavior, i.e, social and cultural while no statistically significant difference was found among the personal and psychological factors.

Research Gap- The process of factor analysis has not been carried out to narrow down the non-effective factors included in the study.

3. Consumer buying behavior towards cosmetic products by Prof. Nilesh Anute, De. Anand Deshmukh, Prof. Amol Khandagale. The research was carried out to study the demographic profile, factors affecting the decision, most widely used cosmetic product, buying pattern and brand preference of the respondents. The results showed that brand and quality was the most preferred factor among the consumers while purchasing.

Research Gap- The results being shown by presentation of charts, graphs and tables make the study less reliable.

4. Consumer attitude towards cosmetic products by Mrs J. Vidhya Jawahar and D.K Tamizjyothi. The study was to examine the influence of attitude and to find the major factors that determine the buying behavior of a consumer. The study demonstrated that age, occupation and marital status have positive impact while salary has no critical effect on the buyers' attitude towards such items.

Research Gap- The number of respondents recorded being very low makes the study unreliable and one of the major findings of the study (income being insignificant) is opposing various other studies that were carried out at the same time.

5. Consumer purchase decision behavior towards cosmetics marketing by Dr. S Anandrajan and T. Sivagami. The study was done to find out the influence of various media in motivating the consumers on a particular brand of cosmetics and to know how the marketing strategy influences the buying behavior of the consumers. The results showed that consumers are aware about the cosmetic products and are slowly shifting towards organic/ ayurvedic based cosmetics.

Research Gap- The paper mainly focuses on the marketing factor of the consumer behavior and ignores the various other important factors which influence the decision making of the consumers regarding cosmetics.

6. A study on consumer buying behavior towards cosmetic products by Kruti Bhatt and Peenal Sankhla. The study aimed at identifying the major factors motivating consumer buying decision toward cosmetic products and to study the attitude, preference and intentions of consumers while deciding for their purchase. Lastly, the researcher aimed to identify the most preferred cosmetic

brand by respondents. The results showed that people consider quality as the most important factor to purchase cosmetics and majority of people do not prefer paying high amount to buy such products.

Research Gap- Low number of respondents leads to unreliability in data.

7. A study on consumer buying behavior of cosmetic product in Thanjavur, Tamil Nadu, India by P. Rameshwari, R. Mathivanan and M. Jeganathan. The study aimed at investigating the various factors that have impact on buying decisions of consumers. The results showed that marketers were required to look for buying habits, preferences, tastes, likes and dislikes of consumers and then the policies should be made. Lastly, the consumers were found to be more quality conscious and brand loyal.

Research Gap- The study is not backed by any statistical analysis and is purely based on comparisons through tables and rankings. Other than that, the number of respondents being very low makes the study unreliable.

8. A study on consumer awareness, attitude and preference towards herbal cosmetic products with special reference to Coimbatore City by M. Banu Rekha and K. Gokila. The research aimed at studying the awareness of consumers towards herbal products and find out the factors influencing their purchase of herbal products. The results showed that there is a positive correlation between the 2 factors i.e., family income (per annum) and spending on herbal cosmetics per month. Also, majority of the consumers were found to be brand loyal and quality specific.

Research Gap- The study does not give reliable results because the data sample size is too small (50 respondents).

9. Consumers brand preference and buying behavior of cosmetic products at Coimbatore city by Dr. T Nagananthi and M. Mahalakshmi. The study aimed at building a relationship between the demographic factors with the brand preference of respondents towards branded cosmetic products. The results showed that consumers prefer purely herbal or non-chemical make-up and care cosmetics. And the study concluded that there is no relationship between income and spending on cosmetic per month by consumers.

Research Gap- Even though the study was purely backed by statistical tool, the results were opposing various studies as it proved income and expenditure to be purely uncorrelated regarding cosmetics. Other than that, the sample size was small so as to make the study reliable.

10. A case study on consumer buying behavior towards selected FMCG products by Dr. Vibhuti, Dr. Ajay Kumar Tyagi and Vivek Pandey. The research was carried out to understand the concept and scope of FMCG products for better marketing and identifying the factors influencing consumer behavior. The results showed that consumer is largely influenced by place, product, price, promotion and physiological factors but the effect varies from product to product.

Research Gap- The paper purely follows a theoretical approach and provides no statistical base for the research.

RESEARCH METHODOLOGY

Structure of paper: Quantitative research will be done to carry out the study of attitude, and behaviour of consumers of cosmetic products, as well as to understand the challenges faced by the cosmetic industry and further suggest various ideas to overcome those challenges.

Sampling Method: Snowball Sampling Method has been followed for the current research work by the researcher to collect the data from the consumers

Selection of sample size

The sample frame consists of respondents over the age of 18 years in Delhi/NCR. The data is collected through a structured questionnaire. The sample size was arrived as given below:

Formula for sample size calculation:

$$N = \frac{z^2 \cdot PQ}{e^2} \cong 385$$

Where:

N= Sample Size

z = 1.96 (Z value for 95% confidence level)

P = percentage expressed as a decimal (0.5 used for the sample size needed)

e = confidence interval expressed as decimal (0.05)

Data collection: The **primary data** has been collected with the help of a questionnaire which is a vital part of the study as it would indicate the consumer behaviour and attitudes in the area of Delhi/NCR.

400 questionnaires were sent to a randomly generated sample of a various educated segment of general population which were returned with a response rate of 100 per cent. It has been carried out through various questions- multiple choice and dichotomous questions, to each of which were attributed different signals.

The questionnaire was structured for both users and non-users of cosmetic products as follows:

The first part contained questions regarding the demographic profile of the respondents.

The second part contained questions that measure the influence of various factors on consumer behavior.

The third part contained questions regarding the attitudes and behavior of customers of cosmetic products.

Scale Used:

Not at all, Rarely, Sometimes, Always – for the second part of the questionnaire

Strongly Agree, Agree, Neutral, Disagree, Strongly Disagree – for the third part of the questionnaire

Tools used: The raw data was gathered and entered into a Microsoft excel spreadsheet. The data is graphed and analyzed using bar graphs and percentages to find the frequencies and trends. Also the tools like factor analysis, F-test and ANOVA will be used for the data analysis.

Study area: Delhi-NCR.

DATA ANALYSIS

The analysis of the demographic variables which were collected through the medium of questionnaire has been done as per the objectives in the following manner:

1. Gender-

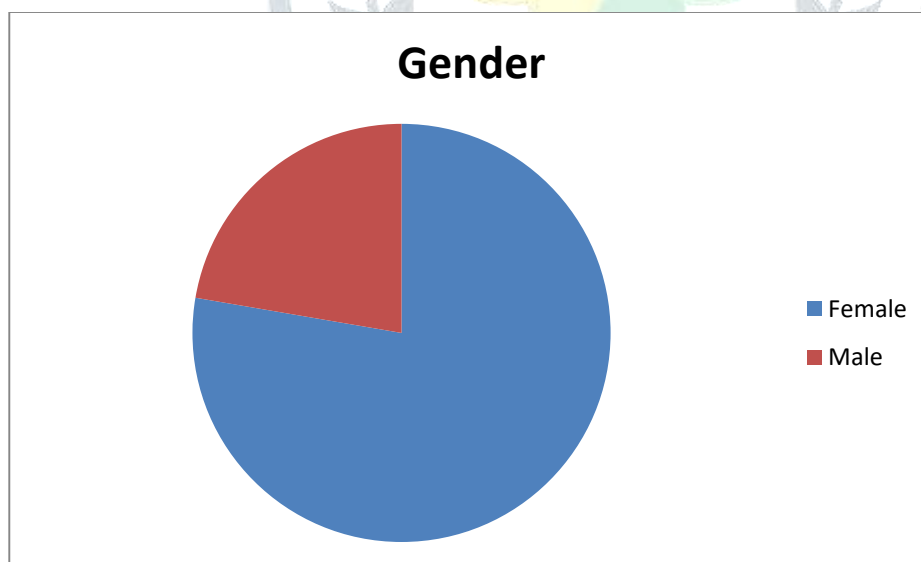


Figure 1: Gender of the respondents

It is depicted in the above figure that 78% of the total respondents who are the users of cosmetic products females while males who are the users of the same contributes only 22% of the total respondent rate.

2. Age-

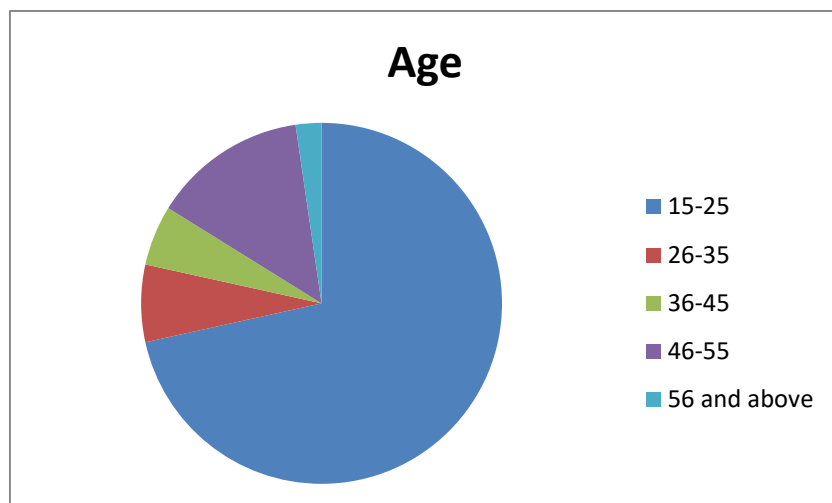


Figure 2: Age of the respondents

It can be interpreted that out of the total respondents, nearly 72% of the respondents who buy cosmetic products lie in the age group of 15-25 years. Thus, it can be said that those who majorly demand and buy the cosmetic products are the youngsters.

3. Monthly Family Income-

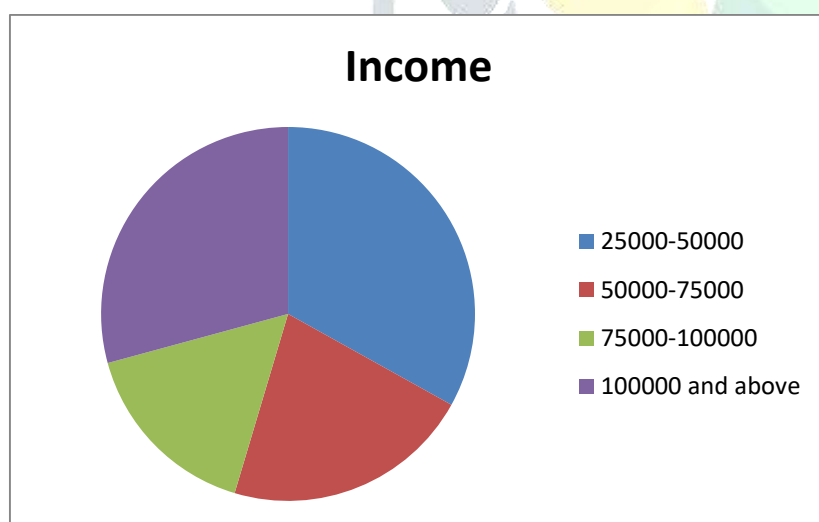


Figure 3: Monthly family income of the respondents

It is represented in the above diagram that the people who have income between 25,000-50,000 and those who lie in the income level of above 1,00,000 are the ones who demand and use the cosmetic products comparatively greater than the other income level. It implies that the products which are available to the

consumers are not too expensive, it all depends on the choice, preference and habit of an individual when it comes to cosmetic products.

4. Occupation-

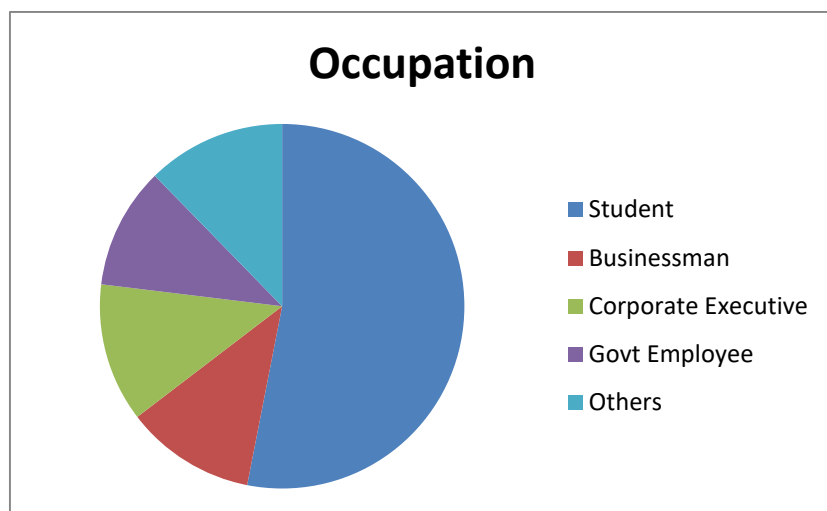


Figure 4: Occupation of the respondents

It is represented in the above diagram that majority of the cosmetic users are the students as 53% of the respondents came out to be students. But this result is majorly because the questionnaire was mostly circulated among the students and it cannot be ascertained from the diagram that students are the major users of such product though, they form a large percentage of the cosmetic users.

Objective 1) To find out how cultural, social and psychological factors influence consumers while purchasing cosmetic products.

STEP 1- To find out the various factors influencing consumer behavior.

Consumers are the final users of any commodity produced. To enhance the growth and output of a particular industry it is very important to analyze the factors that influence consumer behavior. It is the study of human behavior which is usually unpredictable but there are certain factors which remain constant throughout the human life. Thus, such factors need to be taken under consideration before carrying out any analysis. The factors are as follows:

1. Cultural Factors: The way a person behaves depends a lot upon the culture that individual has been brought up. Basically, it is the set of values that a person learns from his/her parents or relatives forms his/her culture. For example, it is the culture in India to live with your parents at least before you are married while in abroad, the children start making a livelihood for themselves as soon as they become old enough to do so. In a country like India, different set of cultures can be found. For instance, males in North India prefer wearing trousers and shirts while males in East India prefer

wearing Dhoti Kurta. Each culture can further be classified into various subcultures such as religion, age, geographical area, gender, family status etc.

Cultural factors and Data Collection

All the subcategories of culture factors have been included in the study except the religion and geographical area. These can be associated with the consumer behavior regarding cosmetic products in the following way:

Age- A 15 year old person is not expected to buy an anti aging cream for himself/herself. Thus, it helps the marketer to differentiate between the products that can be offered to a 15 year old and a 30 year old person.

Gender- It has been seen that males who use beauty products are usually made fun of in India. Thus, the companies launch a variety of products which are only offered to the male section of the society.

Family Status- People from upper class have a tendency to buy luxurious or expensive items while a lower class family cannot afford to do so. Thus, by offering different range of products all the income sections of the society can be included.

2. Social Factors: Humans always need other people to talk, discuss or even argue on any topic. This company of other people forms the individual's social group. Social factors that influence the consumer purchasing behavior can be further classified into Reference groups, Role in the society and Social Status.

Social Factors and Data Collection

All the subcategories of social factors have been included in the study. These can be associated with the consumer behavior regarding cosmetic products in the following way:

Reference Groups: Every person is influenced by other person in one or another way. Reference groups form that group of people with which an individual compares himself/herself with. They are further of 2 types:

a) Primary group which includes family, friends, relatives and coworkers. Before buying any product a person tends to discuss it with the people they interact on a daily basis who have either purchased the same product or have knowledge regarding that product. For instance, before switching to a new cosmetic brand a person always collects information about it by mentioning it to their friends and family.

b) Secondday group in which the consumer shares indirect relationship with the social group. For example, an interaction with a few people in a party. In such cases, if an individual encounters a person who is wearing a very good perfume, then the decision making of the individual can be influenced.

Role in the society: The decision making of an individual majorly depends upon the role that person plays in the society. For example, a CEO of a company is also a parent back home. Thus, his purchase of cosmetics will depend on both the factors.

Social Status: It is very similar to the family status of cultural factors, as an individual's choice also depends whether he can afford to spend on expensive items or not.

3. Psychological Factors: These are the factors which are related to psychology or the thinking of an individual. The subfactors which form the psychology of a person are motivation, perception and attitude.

Psychological factors and Data collection

All the subcategories of psychological factors have been included in the study. These can be associated with the consumer behavior regarding cosmetic products in the following way:

Motivation: Every action is based upon a reason which compelled them to pursue the action. A person buying local or cheap cosmetic product is motivated to do so as to match up with the social group he/she is a part of while a person buying branded cosmetic product is motivated to do so as to make people look upto him/her. Thus, creating and maintaining an image serves as a motivational factor while purchasing such products.

Perception: It is the way an individual thinks about a specific good or service. Individuals with similar needs can have different perception towards the same product. A woman looking for a good lipstick might find a particular shade to be bold and another woman might find it gordy. Thus, the former will buy the lipstick and the latter will not. Hence, it is the difference in perception which gives rise to variety and differtiation in a product. The perception of an individual can also be made with past experiences.

Attitude: The image an individual create for a particular product can influence his/her buying decision to a large extent. Individuals always tend to attach a positive image to branded products and thus, high income people prefer buying those products rather than going for non-branded products.

STEP 2- To find the relevant factors among the listed factors.

Factor analysis has been applied in MS Excel in order to find out the relevant factors. The first step was to check the value of Kaiser-Meyer-Olkin (KMO) value and the Cronbach's alpha value. The two respective values obtained from the data was 0.553 and 0.527 respectively. Since both the values were above 0.5 the data was considered correct and reliable and used for further studies.

The second step was to apply Principal Component Analysis (PCA) on the data. After, applying PCA the Eigenvalues were obtained and those factors were shortlisted whose eigenvalues were more than 1. According to this criteria, the 6 shortlisted factors were as follows:

Income (e=2.380)

Price (e=1.752)

Past experience (e=1.469)

Trust (e=1.326)

Influence (e=1.157)

Motivation (e=1.022)

Objective 2) To find the correlation between the factors and income.

To attain the results of this objective, the statistical tool of two way annova was applied under the following 2 hypothesis:

Null hypothesis 1: Each factor i.e. social, cultural and psychological affects each individual in the same manner.

Alternate hypothesis 1: The effect of each factor on each individual may differ.

Null hypothesis 2: The effect of cultural, social and psychological factors on consumer behavior is same irrespective of their income.

Alternate Hypothesis 2: The effect of cultural, social and psychological factors on consumer behavior is not same irrespective of their income.

ANOVA

Source of Variation	SS	df	MS	F	P-value	F crit
Rows	602.4663	399	1.50994	1.236802	0.00239	1.132632
Columns	1032.252	5	206.4504	169.1048	3.3E-150	2.218583
Error	2435.581	1995	1.220843			

Total	4070.3	2399				
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Table 1: Tabular result of ANOVA

As indicated in the ANOVA table above, the calculated F- value is greater than the F critical value corresponding to the rows (rows represent the different respondents or the individuals with different income level). It implies that the null hypothesis 1 gets rejected.

Similarly, for the columns (columns represent the effect of different factors i.e. social, cultural and psychological factor on each individual) F- value is greater than F- critical. It implies that null hypothesis 2 also gets rejected.

FINDINGS OF THE STUDY:

1. Most of the purchasers of cosmetic products lie in the age group of 15-25 years. It implies that youngsters form the major portion of the consumers who are buying the cosmetics products. This may be because of the reason that youngsters are more prone to the cosmetics products. Nowadays, they are the one who are demanding the cosmetics products very frequently and are using them on the daily basis in order to get fit with their fashion designs and lifestyles. So, the reason that lies behind this distinction that youngsters buy the cosmetic products the most is the generation gap between them.
2. One of the other important finding of the study is that Gender, as one of the variables of demographic factor does impact frequency of purchase of cosmetic products by consumers. Females contribute a comparative greater proportion of the purchase of cosmetic products. This may be due to the fact that females are more aware of the fashion and its following design pattern and, therefore, are demanding the cosmetic products more as compared to the other section of the society.
3. Majority of the cosmetic users are the students. It may be due to the fact that today's generation is more attracted to the use of cosmetics products in their daily routine life and they are influenced by the attractive advertisements of the companies, corporations and the other sellers of the cosmetics product of their respective brands.
4. It's not that the people who are buying the cosmetic products should have a decent and handsome income level. Anyone who has moderate level of income can buy the cosmetics products. This may implies that the goods which are available to the consumers are not very expensive. Rather, it may be possible that they are available at cheaper rates due to the discounts and schemes offered on the particular brand product by the company itself. So, it all depends on the preference and the opinions of an individual when it comes to the decision regarding the purchase of cosmetic product.

5. After applying the Factor analysis, the following factors were short listed and hence these are considered to be the relevant ones for the further study:
 - Income
 - Price
 - Past Experience
 - Trust
 - Influence
 - Motivation
6. After applying the statistical tool of Two- way ANOVA by considering the above 6 relevant factors, it can be concluded that in terms of average Trust is the most powerful factor followed by the other influential factors (which includes peer group, family, advertisements and habit) that affects the decision of the consumer regarding the purchase of the cosmetic products.
7. As per the results of ANOVA, Trust is the most powerful factor which is contributed by the fact that “from where the consumer tends to buy the cosmetic product”. The different sources from where the customer may purchase its cosmetic products are- super markets, salon, chemists, specialist store, direct sales or through the medium of online shopping. It all depends on the opinions of the consumer which is reflected by his past experience or some other reasons.
8. The second most powerful reflection of the decision regarding the cosmetic products is the influential factor that the consumer looks at while choosing the cosmetic product. Like, he/she can get attracted by the advertisements of any brand of the cosmetic product, or may be affected due to the habitual behavior regarding the cosmetic products, or may get influenced by the family members who are using the cosmetic products on the frequent basis etc.
9. The study also revealed that social, cultural and psychological factors affect the consumer's decision in a different manner regarding the purchase of cosmetic products corresponding to the different income level. It talks about the macro sense. That is, all the consumers are affected by the above 3 illustrated factors in the different manner after taking into account the different level of income. It implies that the consumer with low level of income, moderate level and the high level of income will experience different effect with respect to these factors. Example: if the price of the cosmetic product (which forms a part of cultural factor) changes, then it would affect the 2 individuals who have different income level in a different manner i.e. if its price increases then it is quite possible that an individual would tend to decrease the purchase of cosmetic products. But, if the other individual treats the cosmetic products as his necessary good (take the case of air hostess) then, even if the price level increases, the demand may increase or may remain the same as before the change in the price.
10. The one of another important finding of the study is that each of the factor i.e. cultural, social and the psychological factor affect each individual in the different manner. It talks about the micro sense of

the buying behavior. That is, the way in which cultural factors affect the individual regarding the purchase is not similar as the way in which the social or psychological factors affects him. Example: consider the two factors- the price of the cosmetic product (a part of the cultural factor) and the advertisements (a part of the psychological factor). If the price decreases then the purchase may increase. While, if the advertisements do not tend to be attractive too much to the consumer that he/she gets inspired or influenced to buy that cosmetic product, i.e. he/she does not get motivated to buy that particular cosmetic product. So, in this way, the cultural factor (in terms of price) and the psychological factor (in terms of advertisements) affects the consumer's decision regarding the purchase of the cosmetic product in the opposing manner.

CONCLUSION:

Cosmetic Industry forms a major portion of the entire market in the world. Indian cosmetic industry includes all kinds of make -up products, soaps, toothpaste etc. and since 1990s after liberalization; this industry has gained the momentum, touching the mountains and the clouds. The growth is expected to grow at 20% per annum and this growth is majorly expected from increased demand of the herbal or the organic products (with the introduction of Patanjali Products). Many new companies are building their new role and finding a new place in this industry and the old ones are trying to increase their respective shares in the market.

In India, the overall demand for the cosmetic products tends to increase but the reasons for rapid increase in its demand may vary. Some may demand due to the skin problems, some may demand due to the hygienic maintenance (they want to keep their skin free from serious affects like pollution of India) while some may demand out of the fashion design and so on.

So, this study has been carried out in order to find and illustrate the different factors that would lead to the demand of the cosmetic products. For simplicity, the factors are divided into 3 broad categories- Social, Cultural and Psychological.

More consumers are entering into the industry of cosmetic products as seen by the findings of the research study because of the benefits it offers to the costumer such as glowing and fresh skin, no marks and anti-marks, image of stylish and confident, treated as updated with the fashion and its following design, healthy skin and so on. In other words, the main motivating and the influential factors (in terms of average) seen during the entire research is the information followed by influences and past experiences in affecting consumer behavior towards purchasing the cosmetic products. As a result of these motivating factors, consumers are buying the different types of cosmetic goods.

In order to have the more scope of this industry, it is necessary to increase the awareness among the people regarding the use of cosmetic products and the benefits provided by them and, if required, to change the mind-set of the people. A huge buyers and sellers across demographics are buying these products due to the changing lifestyles that emerge due to the generation gap and the change in the shopping habits.

LIMITATIONS:

As with most researches, this study has also some limitations in it. One of the greatest limitation is that results obtained from p- value suggests that with different income levels the social, cultural and psychological factors have same effect on the respondents which is opposing from the results obtained from F-test. Apart from this, other limitations are:

1. The sample size of the study cannot be generalized and applied for general public.
2. The preferences and opinions are dynamic and therefore, the results, conclusions and the findings of the study are based on those preferences and the opinions only. That is, results would differ if the preferences or opinions differ.
3. The above mentioned study has been carried out in one particular area, so, it can't be compared with the other area or with other study that forms the part of other area. It is comparable only with those studies which have been done in the same area.
4. The short listing of the factors cannot be generalized on the actual terms because it depends on the sample size.
5. Since, the short listing of the factors can't be generalized, then, it may seems that the analysis results are biased and, therefore, are not reliable.
6. The analysis results belong only to the observations within the sample. It does not forecast about the observations that lies outside the sample size or outside the model.

SUGGESTIONS:

In today's world, the industry of cosmetic products is on its way for touching the mountains and clouds. Its demand is increasing rapidly due to its increased awareness among the customers. So, the results of the study can be utilized by practitioners in relooking their strategies for the cosmetic products. The companies, corporations and the other sellers of the cosmetic products should concentrate more to the female segments as it has been proved by the results of the study that the females demand and buy the cosmetic products more as compared to the other section. So, companies should devise the policies and strategies to magnetize more number of people in this segment for future reference also.

Since, there is ever increasing and continuous demand of the cosmetic products nowadays, it is necessary to make this sector a boom. So, in order to make it as a boom, the following methods can be followed:

- 1) India has a strong research and development (R&D) capability so companies should innovate rapidly to take care of the security issues.
- 2) In India, the companies and other sellers of the cosmetic products should also try to increase their business by providing the online portal to their customers in order to purchase the cosmetic products. Because, mostly people are shopping the goods online due to the convenience and simplicity offered by the online shopping.
- 3) For increasing the sale of cosmetic products in the online portal, the consumers should be feeling comfortable while shopping online. So, the sellers should take into account the factors that impede the online shopping. One of the most important factors that demotivate the consumer to shop online is the financial security. So, as a mode of online payment, the alternative methods of payment should be adopted like cash on delivery (COD).
- 4) Most of the Indians still have the bad perception for the people who use the cosmetic products on the regular basis. They feel that those who use the cosmetic products, those who apply the heavy make-ups are not the nice people. Efforts should be made to change this mind-set of the people by making them aware about its use. They should realise that some people has to use cosmetic products out of their job duty like the air-hostess has to do it because its works demands that. While on the other hand, some are using because of the hygienic factors that cosmetic products possess.
- 5) The efforts should be made to aware the people regarding the benefits of using the cosmetic products. They should be aware that using some of the cosmetic products on the daily basis is useful in the city like Delhi. Those products acts as a safety cover for the skin protection against some serious problems like pollution.

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APPENDIX

QUESTIONNAIRE

- NAME
- GENDER* M F OTHERS
- INCOME* 25000-50000 50000-75000 75000-100000 100000 and above
- AGE* 15-25 26-35 36-45 46-55 55 and above
- OCCUPATION* Student Businessman Corporate Executive Govt Employee Others

OBJECTIVE - To find how cultural, social and psychological factors influence consumer behavior towards cosmetic products.

CULTURAL

1. How often do you buy cosmetic products?
 - Do not shop
 - Rarely
 - Frequently
 - Very frequently
2. What do you look first when you buy a cosmetic product?
 - Price
 - Features
 - Brand

- Packaging
- Advertisement
- Durability
- Product assurance

SOCIAL

3. Do you collect information before purchasing a cosmetic product?
 - Not at all
 - Rarely
 - Sometimes
 - Always
4. Where do you tend to buy your cosmetic products?
 - Super market
 - Salon
 - Chemists
 - Internet
 - Specialist store
 - Direct sales

PSYCHOLOGICAL

5. Which factors influence you the most while choosing your cosmetic product?
 - Peer group
 - Family
 - Advertisement
 - Habit
6. What image do you perceive towards cosmetic users?
 - Stylish
 - Confident
 - Groomed professional
 - Trendy
 - Low self esteem
 - Not necessary
7. What motivates your purchasing process in terms of cosmetics?
 - Discount

- Trend
- Advertisement
- Celebrity endorsement

Answer the following questions on the scale as follows:

SCALE	STRONGLY AGREE	AGREE	NEUTRAL	DISAGREE	STRONGLY DISAGREE
8. Past experiences influence my purchasing of cosmetic products.					
9. I prefer buying expensive cosmetic products than cheaper products.					
10. I am willing to pay more for a cosmetic					

product if it consists of natural ingredien ts.					
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OBJECTIVE – TO FIND THE CORRELATION BETWEEN THE FACTORS AND INCOME

FACTORS –

1. CULTURAL- Price
2. SOCIAL- Past experience, Information
3. PSYCHOLOGICAL- Influence, Motivation

Monthly Family Income	400	969	2.4225	1.482701
Price	400	607	1.5175	0.25032
Past experiences influence my purchasing of cosmetic products.	400	753	1.8825	0.514981
Where do you tend to buy your cosmetic product?	400	1405	3.5125	3.558741
Which factor influence you the most while choosing your cosmetic product?	400	1111	2.7775	1.226059
What motivates your purchasing process in terms of cosmetics?	400	796	1.99	0.581353

Table 2: Average of the factors through ANOVA