



# A STUDY ON FACTORS AFFECTING ONLINE PURCHASE OF COSMETIC PRODUCTS IN VADODARA CITY

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## Abstract

As we observe the online e-commerce market is growing rapidly as it expected to generate \$4.11 trillion in revenue by 2023 and is expected to grow at an 11.51% annual rate (CAGR 2023-2027), resulting in a market volume of US\$6.35 trillion by 2027.

Understanding how consumers make decisions is crucial because it enables you to predicts their wants, by which you can make the marketing and sales strategy based on their demand and thinking process. This study aims to find out which are the factors that affects the most when the customer thinks of buying cosmetic products online.

**Keywords:** Consumer decision making, online shopping, cosmetic industry, cosmetic products.

## Introduction

### Background:

We are doing research on Factors Affecting Online Purchase of Cosmetic Products in Vadodara city. The main objective behind this research is to identify which factors influence the most to the customer when they think of buying cosmetic products online.

The term cosmetics is derived from the Greek word for dress and ornamentation technique. Herbal pastes made from crushed berries and seeds were used by ancient Greek women to paint their cheeks. They used to color their cheeks red by first coating their face, neck, and other body parts with white powder, not realizing that white powder contained lead, which destroyed their complexion over time. In the fourth millennium BC, Egyptians were the first to use cosmetics. Cosmetics were widely used throughout the Roman Empire.

Michael Aldrich, an English inventor, invented electronic shopping. He created the first type of electronic

commerce in 1979, allowing both business-to-business and business-to-consumer online transaction processing.

The World Wide Web, the first web browser ever created, is the second key supporter of online shopping. There wouldn't even be an online market without a linked internet. We owe Tim Berners Lee credit for this wonderful invention known as the "WWW." Millions of individuals have access to the internet, which houses a number of e-commerce platforms, thanks in large part to that man.

### **Objective of study**

1. Identify the factors affecting on purchase of cosmetic products.
2. To find that which factor influences the most to the customers.
3. To measure the behavioral aspects of the consumer doing online shopping of cosmetics.

### **Research purpose: -**

To identify the most influencing factor that helps customer in purchase decision making.

### **Major cosmetic companies in the market.**

#### **1. MAC Cosmetics**

Makeup Art Cosmetics, usually referred to as M.A.C. or MAC Cosmetics, is a cosmetics company with its main office in New York City that was founded in Toronto, Canada. Frank Toskan and Frank Angelo launched M.A.C. Cosmetics in 1984. One of the top three cosmetics brands in the world, MAC Cosmetics has an annual revenue of more than \$1 billion. Almost thirty of its 500 independent boutiques are located in France. Professional makeup artists operate every store. Ruby Woo Lipstick and Studio Fix Fluid are two of the company's most well-liked goods. Almost everyone will endorse MAC as one of the best cosmetics companies.

#### **2. Clinique**

This is an excellent cosmetic brand for users seeking good cosmetics that are gentle on sensitive skin. Clinique offers redness solutions as well as sunscreens that have proven to be effective. Their foundation line is also very impressive. Their products and solutions are well-known for providing reliable sun protection. All of their concealers, blush products, and mascaras are popular with their loyal customers.

#### **3. Christian Dior SE**

This brand, also known as Dior, is a French luxury goods company led and controlled by entrepreneur Bernard Arnault. This is a well-known brand that astounds everyone with its low prices. Mascaras, foundations, lip color options, eye liners, and concealers are among their products. The company also creates ready-to-wear, fashion accessories, leather goods, jewellery, and footwear, among other things.

#### 4. Lancôme Paris

This is the French luxury cosmetic makeup products house that distributes products all over the world. Lancôme has been owned by L'Oreal since 1964 and is part of the high-class products division, which offers high-end fragrances, skincare, and makeup products.

#### 5. Avon Products – Cosmetic Brands

This company, simply known as Avon, is a USA-based international producer and manufacturer of beauty, household, and personal care products and services that are sold through representatives in over 140 countries worldwide.

**Research Design:** Descriptive research design.

**Research tool:** Questionnaires.

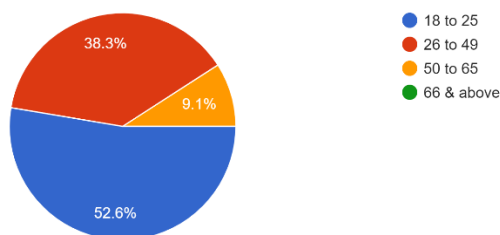
**Sample size:** 209 Responses.

**Sampling method:** Convenient sampling method.

#### Data analysis and Interpretation

**Figure. 1: - Age**

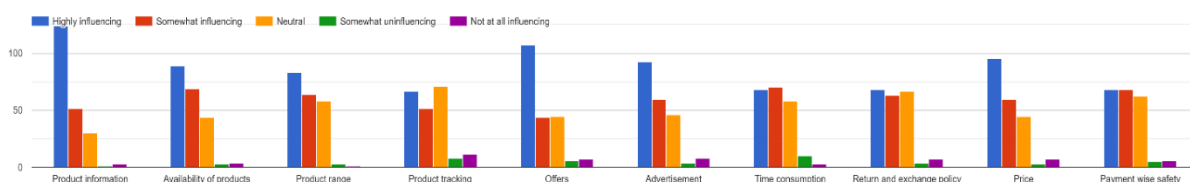
Age  
209 responses



The above chart shows that 52.6% of respondents belongs to 18 to 25 of age group, whereas 38.3% of respondents is of 26 to 49 age group & remaining 9.1% of respondents belongs to 50 to 65 of age group.

**Figure. 2: - Factor affects the most in consumer purchase decision making.**

Rate the following factors for "online" shopping of cosmetic products.



From the above graph, we can conclude that **product information, offer, price, and advertisement**

these 4 factors are influences the most to the customers when they buy cosmetic products online.

### Findings: -

We took major 4 factors for our hypothesis testing. The factors are product range, price, offer and availability of product.

1. In which we found that There is no significant difference in the consumer behavior of online shopping of cosmetic products based on **demographic characteristics (Age)**. (Factor: Price, product range, availability of products and offer).
2. There is no significant difference in the consumer behavior of online shopping of cosmetic products based on **demographic characteristics (Gender)**. (Factor: Price, product range, availability of products and offer).
3. There is no significant difference in the consumer behavior of online shopping of cosmetic products based on **Socio Economical characteristics. (Income)**. (Factor: Price, product range, availability of products and offer).
4. There is no significant difference in the consumer behavior of online shopping of cosmetic products based on **Frequency Purchase**. (Factor: Price, product range, availability of products and offer).

### Conclusion:

The topic is all about “A STUDY ON FACTORS AFFECTING ONLINE PURCHASE OF COSMETIC PRODUCTS IN VADODARA CITY.” In which we collected data from different age group peoples of Vadodara city to find out what are the factors they see first when they think of buying cosmetic products online. After doing research with we conclude that price, product information, offer and advertisement are the 4 most influencing factors that helps customers in purchase decision making.

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