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RESEARCH ARTICLE

Behaviour of Indian Consumer towards Skin Care Products (Cosmeceuticals) – A Conceptual Model

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Abstract

Cosmeceuticals as the name suggests are the cosmetic products having some drug like action or we can say that these are cosmetic products with drug as one of its ingredients. The study was carried out to find out the various factors which are associated with the skin care market and which are also associated with the consumption of skin care products. The basic aim behind the study is to develop a conceptual model for the skin care product consumption on the basis of Indian consumers. The study is carried out in three different cities of India and these are Chandigarh, Shimla and Lucknow. The tool which is used to get the data is questionnaire and the data was collected from a total of 360 respondents (120 from each city). The data collected was analysed through the SPSS software and by applying different statistical tests. On the basis of the findings a conceptual model was created which helps in understanding cosmeceutical market.

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Introduction

Cosmeceuticals are the cosmetic products which has a drug as one of their ingredients. The popularity of skin care products is increasing these days as they act in both ways as a drug as well as cosmetic. There are several types of skin care/cosmeceutical products which are available in the market depending upon their function. For example anti aging skin care cosmeceutical products, anti wrinkle skin care cosmeceutical products anti acne products and so on but our study is limited to few of them. In this world everyone wants to look like a model or we can say that everyone wants to be younger and smarter. We can find the good faces and looks in different forms such as on the cover page of magazines, on television, in fashion shows and so on. The uses of these skin care cosmeceutical products by the consumers make them feel like models as these products enhance the beauty of the human body. By applying these skin care cosmeceutical products, one can feel good and confident as the skin care cosmeceutical product implicates.

Earlier the skin care cosmeceutical product concept is only meant for women and hence the market of skin

care cosmeceutical products is running since a large number of years. But now the scenario is changing men is also becoming conscious about their looks. By seeing consciousness in men towards their looks many skin care cosmeceutical companies introduced skin care cosmeceutical products only for men. This leads to a boom in the men skin care cosmeceutical market since a couple of years. The basic concept of various skin care cosmeceutical product companies behind the launch of cosmeceutical products for men is that men skin is harder than that of women and because of this reason they need special type of products. This concept has also made a place in the mind of male consumers and they start purchasing the cosmeceutical products which are specially made for men skin.

India is a huge market because of this reason the potential in the Indian skin care market is also good because of this reason many companies enter into the Indian market. The skin care cosmeceutical market in India is a very competitive market with companies having marketing strategies which are competing with each other. The upper hand in the Indian market for the skin care cosmeceutical companies will depend on the innovative product that company

introduced to the market. The introduction of an innovative cosmeceutical product into the Indian market is not enough for the company to have an edge but the company has to decide the right place and the right time for launching a cosmeceutical product. For a skin care Cosmeceutical Product Company the success also depends on how well the company makes its strategic planning with the help of 4 P's (i.e. product, place, price and promotion). A well planned structure and a good strategic planning will help a company to make its position good in the market and also to retain that position for a longer period of time. A good strategy also helps a company to know how to enter in that particular market and how to face their competitors for a longer duration.

As per the Euromonitor's report (2008) the Asian market emerges as the brightest star. As per the report the value of Asia Pacific market appears to be more than US\$70 billion which is the second highest after the Western European market. The skin care cosmeceutical market segment is one of the fastest growing segments in India and it provides greater opportunities of growth for the skin care cosmeceutical brands from US. In India a strong growth was measured among the organized retail sectors and this leads to more demand for the imported cosmeceutical products not only in the metro cities of India but also in the Tier I and Tier II cities of India. One more reason of demand from these tier I and tier II cities is that the disposable income of consumers in these cities is increasing.

Along with the development of innovative cosmeceutical products it is also important to make new and innovative pricing strategies as we know that the Indian market is a price sensitive market. Indian consumers want the best quality product but in a less price. So the pricing strategy should be in such a way that would help the company to generate the profit and to attract the Indian consumers to purchase the skin care cosmeceutical product. Understanding the lifestyle, attitudes and preferences of Indian consumers among their consuming class is very vital so as to achieve success in the Indian market and to retain in the Indian market for a longer period of time.

LITERATURE REVIEW

The book named Cosmeceuticals: Drugs vs. Cosmetics (Elsner, 2000) provides the deep understanding of the legal aspect in cosmetic industry. By going through the book we also came to know that in different countries there are different laws which regulate the cosmetic industry. According to industry reports published by Brazilian Association of the Cosmetic Toiletry and Fragrance Industry (www.abihpec.org.br), the country is currently ranked as the third most important market in the world for the industry, and the number one market for perfumes and fragrances. Besides the strong domestic market, the economic, political and recent social investment scenarios have been favorable points, allied with high technology and qualified professionals.

(in US\$ million)	2010	2011	2012 (estimated)	2013 (estimated)
Total Market Size	16,530	18,679	21,107	23,850
Total Local Production	16,527	18,675	21,102	23,844
Total Exports	693	782	884	1,000
Total Imports	696	786	889	1,004
Imports from the U.S.	90	102	115	130

Data Source: Brazilian Association of the Cosmetic Toiletry and Fragrance Industry (ABHIPEC)

When we compare the use of skin care products with that of make-up products we found that the use of skin care products is more in the East Asian cities Hong Kong, Taipei, Seoul and the three Chinese cities (Beijing, Shanghai, Guangzhou). On the other hand it was also observed that the use of skin care products is also more in the Southeast Asia and if we talk about India the use of these skin care products is more in Delhi and Mumbai. It appears that the focus is on skincare in East Asia, including the three

Chinese cities, and on make-up in Southeast Asia and India. Hakuodo, 2012)

However, usage of face cleansers is high in all cities. Usage is around 90% in East Asian cities. In Southeast Asia, it is over 60% even in lowest scoring Jakarta and over 70% elsewhere. Use of face cleansers is around 40% in the two Indian cities, figures that although lower than that of other cities, are higher than those for use of face lotion, moisturizers and other products in the Indian cities.

Like shampoo (used by over 90% in all cities), face cleanser seems to be taking root as a standard toiletry item. (Hakuhodo, 2012) For women in Southeast Asia and China, particularly those in the younger cohorts, it appears that Korea is now the model for Asian beauty. Even in Hong Kong and Taipei, where the presence of Japan is high, Korea's influence is growing. Korea appears to be becoming an unmistakable influence across Asia. (Hakuhodo, 2012)

The self-concept summarizes the beliefs a person holds about his own attributes and how he evaluates the self on these qualities. (Solomon, 2009) In order to understand consumer behavior, marketers are supposed to firstly understand the relationship between consumer self-concept and possessions. Many purchasing decisions will be influenced by those attitudes. (Kolter, et al., 2005) Marketers tend to gain potential consumers' attentions or change their attitudes towards products by providing them with idealized images of positive, attractive people who just happen to be using their products. (Solomon, 2009) To develop marketing strategies, marketers are supposed to understand many of those factors to understand consumers with unique cultural backgrounds, and needs of consumers in various markets. (Kolter, et al., 2005) According to Arnould, et al. (2004), a society's culture is "dynamic blueprints for action and interpretations that enable a person to operate in a manner acceptable to other members of the culture." Personalities may be changed under certain situations such as marriage or a shift of occupation. (Schiffman, et al., 2010)

RESEARCH METHODOLOGY

The research is an exploratory research as it provides an insight and understanding about the behaviour of Indian consumers towards skin care products. The research in cosmeceutical in India has been minimal to an extent and therefore the research explored behaviour patterns initially and endeavored to identify parameters for detailed work. The exploratory research is followed by conclusive research and within the conclusive research it follows the descriptive research as the data is collected through the questionnaire and the data collected is analysed through SPSS software.

HYPOTHESIS

1. **H_{Null}**: There is no relationship between age group and herbal ingredients.
H_{Alternate}: There is a relationship between age group and herbal ingredients

2. **H_{Null}**: There is no relationship between gender and the price factor of cosmeceutical products.
H_{Alternate}: There is a relationship between gender and the price factor of cosmeceutical products.
3. **H_{Null}**: There is no relationship between qualification of consumer and the brand.
H_{Alternate}: There is a relationship between qualification of consumer and the brand.

OBJECTIVES

1. To find out the role of perception towards the quality of cosmeceutical products.
2. To find out the role of brand in the purchase decision of cosmeceutical products.
3. To find out the most significant place of purchase for cosmeceutical products.

Sample Size

Total sample collected is 360. A total of 120 sample size is collected from each city.

Research Tool

a). Interviews

Face to face interview where conducted with the respondents while getting the questionnaires filled.

b). Questionnaire

The questionnaire is used as a tool of this research for collecting the data from the consumers who are using the skin care products and are from the three cities under the study. The questions are on the ranking scale and on 5 point Likert scale.

Data collection approach

a). Nature of Data

Primary data: Data that is obtained as a result of first-hand information collected from research. This is the original data.

Secondary data: secondary data that is already available and published. It could be internal and external source of data.

b). Statistical technique used: Analysis of data is done by SPSS version 16 software. The various tests used to analyze the data will be Correlation, Cross Tabulation, and Kruskal-Wallis H Test.

DATA ANALYSIS

For Hypothesis 1

Correlation analysis between the age group and herbal nature of cosmeceutical product.

Table: 1

		<u>Age Group</u>	<u>Herbal Ingredient</u>
<u>Age Group</u>	Pearson Correlation	1	0.184
	Significance (2-Tailed)		0.000
<u>Herbal Ingredients</u>	Pearson Correlation	0.184	1
	Significance (2-Tailed)	0.000	

Crosstabulation between the age group and herbal nature of cosmeceutical product.

Table: 2

<u>Herbal Ingredients</u>				
<i>Age Group</i>	<i>Very Important</i>	<i>Important</i>	<i>Not Important</i>	<i>Least Important</i>
15 Years to 20 Years	22	34	04	00
20 Years to 25 Years	21	33	06	00
25 Years to 30 Years	19	41	00	00
30 Years to 35 Years	13	40	05	02
35 Years to 40 Years	09	47	04	00
Above 40 Years	10	41	09	00

For Hypothesis 2

Chi Square Test between Gender and the importance of price of cosmeceutical product.

Table: 3

	<u>Other Factors Remain Same Price Is Important</u>
Chi-Square Test	5.076
Degree of Freedom	1
Significance level	0.024

Kruskal Wallis Test between Gender and the importance of price of cosmeceutical product.

Table: 4

	<u>Gender</u>	<u>Mean Rank</u>
Other Factors Remain Same Price Is Important	Male	192.24
	Female	168.76

For Hypothesis 3**Table: 5**

	<u>Regardless Shops Offering Features I Trust Brand</u>	<u>Highest Qualification</u>
Chi-Square Test	359.888	278.067
Degree of Freedom	4	3
Significance Level	0.000	0.000

Crosstabulation between brand trust and the higher qualification

Table: 6

<u>Highest Qualification</u>					
Regardless Shops Offering Features I Trust Brand	Preferences	<i>Under Graduate</i>	<i>Graduate</i>	<i>Post Graduate</i>	<i>PhD</i>
	Strongly Agree	17	15	72	07
	Agree	27	32	118	14
	Neutral	12	09	32	02
	Disagree	00	00	02	00
	Strongly Disagree	00	00	01	00

Frequency table for perception

Table: 7

<u>Perception</u>	
<i>Input</i>	<i>Percentage</i>
Very Important	21.1
Important	55.6
Not Important	19.4
Least Important	3.9

Table: 8

Frequency table for Brand Importance

<u>Place of Purchase</u>	
<i>Input</i>	<i>Percentage</i>
Cosmetic Store/Males	44.4
Drug Store	29.4
Departmental Store	15.0
General Store	11.1

Table: 9

Frequency table for Place of Purchase

<u>Brand Importance</u>	
<i>Input</i>	<i>Percentage</i>
Very Important	24.7
Important	59.7
Not Important	13.1
Least Important	2.5

FINDINGS

- Table 1 shows correlation analysis between age group and the herbal nature or the cosmeceutical products containing herbal ingredients. By doing correlation analysis we found that the significance level comes out to be 0.000 at 95% confidence level which is less than 0.05. Hence we can say that there is a relationship between age group and the herbal nature of cosmeceutical products. Therefore we will reject the null hypothesis 1 and accept the alternate hypothesis 1.
- The table 2 shows the Crosstabulation between the age group and the cosmeceutical products containing herbal ingredients. By doing cross tabulation we found that the herbal natures of cosmeceutical product or cosmeceutical products containing herbal ingredients are preferred by the consumers. By analysing the table we came to know that young consumers prefer cosmeceutical products containing herbal ingredients. Consumers under the age group 15 years to 25 years prefer more herbal cosmeceutical products.
- Table 3 shows the chi square test between the gender and the pricing factor of the cosmeceutical products. By doing the analysis we found that the calculated chi square value (5.076) is more than the tabulated value (3.841). Therefore we can say that there is a relationship between the gender and the pricing factor of cosmeceutical products. Hence we will reject the null hypothesis 2 and accept the alternate hypothesis 2.
- Table 4 shows the Kruskal Wallis test between the gender and the pricing factor of cosmeceutical products. Here we found that the mean rank of females is 168.76 which is less than the mean rank of males which is 192/34. This shows that females are more sensitive towards the price of the cosmeceutical product when compared to men.
- Table 5 shows the chi square test between the brand trust and the highest qualification of the consumers. By doing the analysis of the chi square test we found that the calculated chi square value is more than the tabulated chi square value. Therefore we can say that there is a relationship between the higher qualification and the brand trust. Hence we will reject the null hypothesis 3 and accept the alternate hypothesis 3.
- Table 6 shows the Crosstabulation between the brand trust and the qualification of the consumer. Here we came to know that the highly qualified person want to buy branded cosmeceutical products or on the other hand we can also say that more qualified consumers are more brand sensitive and prefer to use the brand which they trust the most.
- Table 7 shows that for 55.6 percent consumer's feel that perception is important. Therefore we can say that consumer's perception plays a vital role in the purchase of cosmeceutical product.

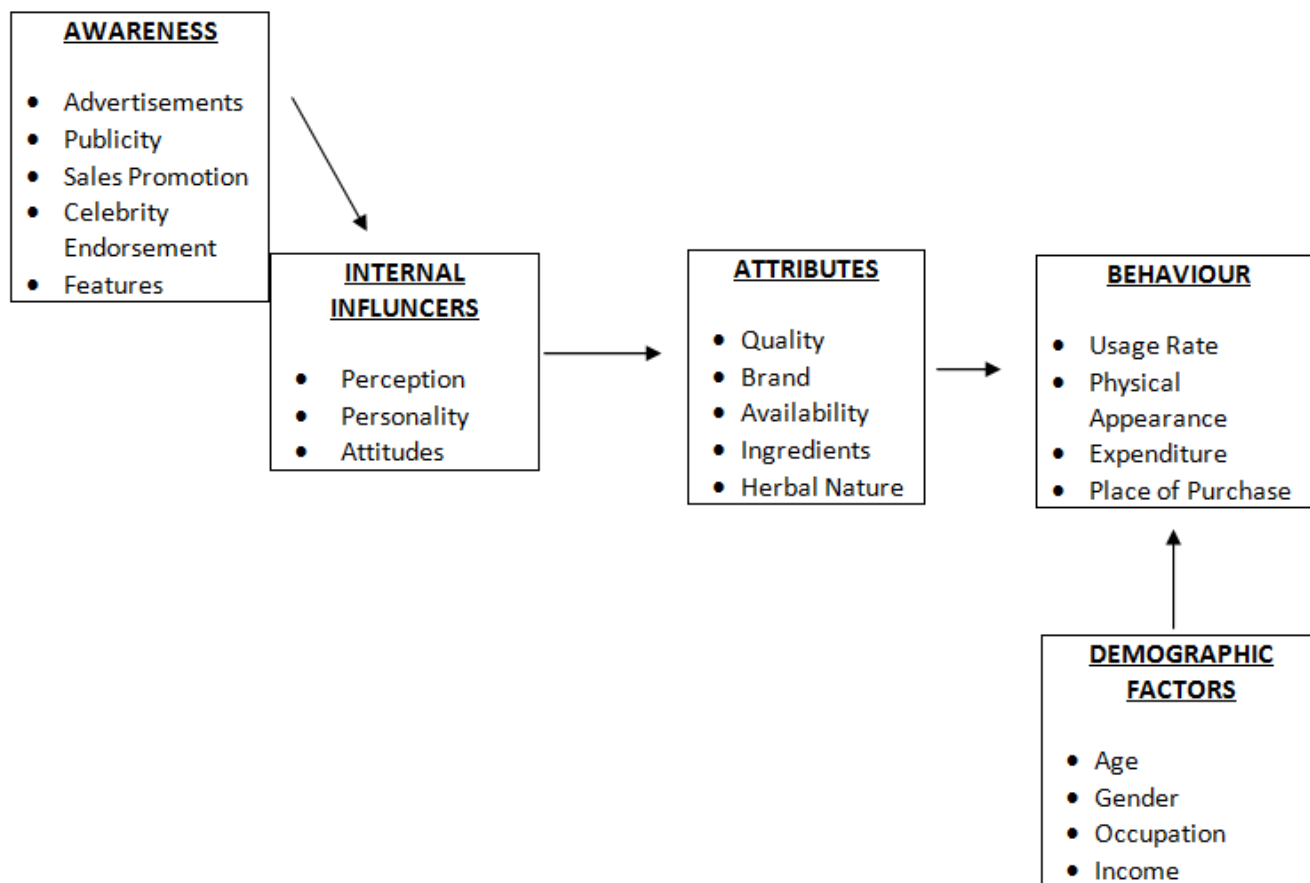
8. Table 8 shows that 59.7 percent consumer's feel that brand is important for them. Therefore we can say that while choosing a cosmeceutical product most of the consumers give importance to the brand.
9. Table 9 shows that 44.4 percent consumers purchase the cosmeceutical product from Cosmetic Store and Mall and around 29.4 percent people buy the cosmeceutical product from Drug Store. Therefore for most of the consumers the most preferred place of purchasing cosmeceutical products is the cosmetic stores.

CONCLUSION

As we have seen that the skin care product importance is increasing with in the Asian countries. There are soo many brands available in the market

and they are competing with each other to sustain in the big market which is full of opportunities. The study was carried out in three cities of India to find out the consumer preferences for cosmeceutical products or for skin care products. The study tells us that the skin care products which contain herbal ingredients are gaining importance these days. Price is also an important factor in the Indian skin care market. Lowered price products are preferred by the Indian consumers. We have also seen that qualification is also an important criterion which plays an important role in the purchase of these skin care products. Education make people/consumers aware about the skin care products and because of which consumers want to use herbal skin care products. Finally after doing the study we have proposed a conceptual model for the Indian skin care market. The model is as follows.

The conceptual Model of Behaviour of Indian Consumers towards Skin Care



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