A STUDY ON BRAND LOYALTY AND PURCHASE BEHAVIOUR OF WOMEN TOWARDS COSMETIC PRODUCTS IN NAMAKKAL

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ABSTRACT

The study is carried out to analyze the brand loyalty, cosmetic consumption patterns and attitude of women towards cosmetic products in Namakkal District. This paper focus on various factors related to the brand loyalty issues which affects the decision of women while buying cosmetic products. The target sample was between age group of 18 – 35 years of women who use cosmetic products residing in Namakkal District. Some of the important factor chosen for analyzing the brand loyalty are brand name, price, promotion, quality, service quality, product design, store environment. Questionnaire was distributed to 100 respondents for self completion. SPSS 16 software was used for analyzing the collected data. This study may also help cosmetic companies to formulate their marketing strategies to attract the customers.

KEYWORDS: brand loyalty, brand name, quality, design, Cosmetic consumption patterns.

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INTRODUCTION

Consumer decision making occurs when consumers have to decide which brand to buy and why to buy. The various categories of decision making based on the involvement level of the consumers namely complex decision making, limited decision making, brand loyalty and inertia. Among all the decision making types complex decision making occurs when it requires highly involved consumers and also requires adequate information for decision making. Since consumer behavior and consumers decision making process has become an integral part of strategic market planning, it has become important for the marketers to know what type of decision based on categories of product a consumer takes. Also it is necessary to know the involvement level of a consumer and his experience during and after consumption.

Customer satisfaction and loyalty has become widely accepted as an important issue for all organization, it is uses as a marketing benchmark for the company performance (Bennett and Rundle-Thiele, 2004). The symbolic value associated with the brand image, has become the product differenciation. In fact presently most of the company understand those customers are not loyal about one particular brand (Dekimpe, Steenkamp, Mellens and Abeele, 1997: Bennett and Rundle-Thiele, 2005: Kapferer, 2005). The worldwide cosmetic market is rapidly growing and some of the reason for its growth are changing demographic factors, rise in spending power of consumer, rise in the demand of cosmetic products due to people consciousness, changing lifestyle and also climatic changes, adevertising and promotion strategies by the companies.

Cosmetics have become basic need for human beings irrespective of the difference in gender as everyone want to show that he/she is pretty handsome. Though men have started depending on these products, they are must-use products for women and women (female) oriented cosmetic products are more than the men-oriented. Hence, in this study we have selected number of cosmetic products which are often and mostly used by the women.

REVIEW OF LITRATURE

Lau et al. (2006) stated seven factors which influenced consumers brand loyalty towards certain brands. These factors were product quality, brand name price, design, store environment, promotion and service quality. Kohli and Thakor (1997), brand name is the creation

of an image or the development of a brand identity and is an expensive and time consuming process. The development of a brand name is an essential part of the process since the name is the basis of a brand's image. **Reports of consumer graphics revealed that in 2003**, Indian women aged 15 -24 years accounted for 29.8 % of all Indian makeup sales. The increased purchasing power of women household helped them to spend more on personal grooming. Profitability can be affected to a greater extend if customer loyalty is enhanced. Longer period of attachment with the product was said to be lower sensitivity to price, (**Reichheld (2001)**).

When consumers purchase something, they are influenced by cultural, social, personal and psychological characteristics (Philip Kotler et al. 2005 p. 256). New development and products and techniques have contributed the Indian fashion industry in generating mega revenues and this has in turn added to the growth of cosmetic industry. Increasing hygiene and beauty consciousness due to changing demographics and lifestyles, deeper consumer pockets, rising media exposure, greater product choice, growth in retail segment and wider availability are the reasons reported by (Euro meter international, 2006). "Women are more emotional in terms of their products purchasing habits, whereas men are drawn to technical, functional things" said by Jeff Falk in GCI magazine(2009). "The Indian middle class is growing rapidly and so is its demand for the best quality products. Today they want to use the international brands whether they are mass market or premium" said by Didier Villanueva, MD, L'Oreal India (2007).

OBJECTIVES OF THE STUDY

- To analyze the brand loyalty of women towards cosmetic products.
- To study the impact of demographic variables on the consumers brand loyalty towards cosmetic products.
- To identify the most preferred cosmetic brand among women consumers.
- To ascertain the source of information and place of purchase of cosmetic products by women.
- To study the attitude of women towards cosmetics.

RESEARCH METHODOLOGY

The study is based on both primary and secondary data. The primary data has been collected by a self structured questionnaire through interview method. Sample size of 100 was taken up for the

study and convenience sampling method was used. The sample taken was between the age group of 18 years to 35 years women living in Namakkal District who purchase cosmetic products. Secondary data has been collected from books, journals, manuals and internet. The analysis was done through SPSS software and by using various tests.

FINDINGS AND ANALYSIS

1. DEMOGRAPHIC PROFILE OF THE RESPONDENTS

S.no	Description	Frequency	Percent	Cumulative percent		
	AGE					
	Below 18	4	4.0	4		
	18 - 22	17	17.0	21		
1	23 - 27	38	38.0	59		
	28 – 32	26	26.0	85		
	Above 32	15	15.0	100		
	Total	100	100			
	EDUCATIONAL		ON			
	Secondary	5	5.0	5		
	Higher Secondary	9	9.0	14		
2	Graduate	46	46.0	60		
	Post Graduate	21	21.0	81		
	Others	19	19.0	100		
	Total	100	100			
	MARITAL STATUS					
3	Married	69	69.0	69		
	Unmarried	31	31.0	100		
	Total	100	100			
	OCCUPATION					
	Housewife	12	12.0	12		
	Student	21	21.0	33		
4	Govt. Job	17	17.0	50		
4	Business	10	10.0	60		
	Private Job	33	33.0	93		
	Others	7	7.0	100		
	Total	100	100			
5.	MONTHLY INCO	OME				
	3000-6000	11	11.0	11		
	6000-9000	21	21.0	32		
	9000-12000	31	31.0	63		
	12000-15000	27	27.0	90		
	Above 15000	10	10.0	100		
	Total	100	100			

Inference: The above table shows the majority of respondents are in the age group of 23 -27 years (38 %), 46 % of the respondent are Graduates. More than fifty percent of the respondents are married (69%).33% of the women are doing private job followed by 21 % students. Majority of respondents' monthly income is 9000 – 12000 (27 %).

2. CHI SQUARE ANALYSIS

Chi square test is applied to know whether there is a significant association between

- 1) Age and loyalty of women consumers
- 2) Marital status and loyalty of women consumers
- 3) Monthly income and loyalty of women consumer

Description	Chi square value	df	Significant value
Age	1.128	8	*000
Marital status	14.512	4	*000
Monthly income	2.113	10	*000

^{*} At 5% significant level

Inference: The above table indicates that there is a high significant association between brand loyalty and age, marital status, and Monthly income of women respectively.

3. PREFERENCES FOR COSMETIC PRODUCTS BASED ON BRANDS

S.NO	COSMENTIC BRAND	FREQUENCY	PERCENT	CUMULATIVE PERCENT
1.	L'Oreal	15	15.0	15
2.	Ponds	10	10.0	25
3.	Nivea	8	8.0	33
4.	Garnier	26	26.0	59
5.	Amway	18	18.0	77
6.	Fair and lovely	14	7.0	84
7.	Ayur Products	9	9.0	93
8.	Olay	7	7.0	100
	TOTAL	100	100	

Inference: From the above table we found that the most preferred brand of cosmetic products by young females is the **Garnier** (26%). The second most preferred brand by females is **Amway** (18%) and the third most preferred brand is **L'Oreal** (15%).

4. SOURCES OF INFORMATION ABOUT COSMETIC PRODUCTS.

S.NO	SOURCES OF INFORMATION	FREQUENCY	PERCENT	CUMULATIVE PERCENT
_1.	Friends	36	36.0	36
2.	Pamphlets	11	11.0	47
3.	Doctors	21	21.0	68
4.	Sample	13	13.0	81
5.	Internet	9	9.0	90
6.	Newspaper	10	10.0	100
	TOTAL	100	100	

Inference: The most important source of information about cosmetic products is from Friends (36%). Interestingly the second important source of information is from Doctors (21%) and the third important source of information about cosmetic product for young females is sample (13%) of cosmetic products.

5. PLACE OF PURCHASE OF COSMETIC PRODUCTS

SNO	PLACE OF PURCHASE	FREQUENCY	PERCENT	CUMULATIVE PERCENT
1.	Super market	32	32.0	32
2.	Cosmetic store	40	40.0	72
3.	E-Shopping	10	10.0	82
4.	Pharmacy	15	15.0	97
5.	Mall	3	3.0	100
	TOTAL	100	100	

Inference: From the above table it is known that the most preferred place of purchase of cosmetic products is cosmetic stores(40%). The second preferred place of purchase is super market (32%) followed by Pharmacy(15%).

6. CORRELATION ANALYSIS

6.1 Null Hypothesis: There is no significant relationship between Average spending on cosmetics and monthly Income of the respondents'.

Correlations

	-	AVGSPENDING	MONTHLYINCOME
AVGSPENDING	Pearson Correlation	1	.811
	Sig. (2-tailed)		.000
	N	100	100
MONTHLYINCOME	Pearson Correlation	.811	1
	Sig. (2-tailed)	.000	
	N	100	100

Inference: The correlation between the average spending by females on cosmetics and monthly income of the females is $\mathbf{r} = .811$ and significant value is 0.000. This indicates that average spending on cosmetics and monthly income of the respondents are not independent to each other. Here the value of $\mathbf{r} = .811$ so it is considered to a strong correlation. We reject the null hypothesis and accept the alternate hypothesis.

6.2 Null Hypothesis: There is no significant relationship between Age of respondents and time period of using cosmetic products.

Correlation	S
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	-	AGE	TIME PERIOD OF USING COSMETIC
AGE	Pearson Correlation	1	.295
	Sig. (2-tailed)		.000
	N	100	100
	Pearson Correlation	.295	1
USING COSMETIC	S19 (2-lanea)	.000	
COSMETIC	N	100	100

Inference: The correlation between the Age group of respondents and time duration of using cosmetic products by the females is $\mathbf{r} = .295$ and significant value is 0.000. This indicates that Age of respondents and time duration of using cosmetic products are not independent to



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each other. Here the value of r = .295 so it is considered to a **strong correlation**. We reject the null hypothesis and accept the alternate hypothesis.

7. ONE-WAY ANOVA

H0: there is no significant difference in the mean scores of brand loyalty and factors influencing purchase decision of cosmetic products.

Factors		Sum of squares	Mean square	F value	Sig.	Remark for H0
	Between groups	6.760	2.112			
Brand name	Within groups	40.380	.453	4.714**	.003	Rejected
	Total	47.14				
	Between groups	2.636	.798			
Price	Within groups	55.745	.508	1.313	.266	Accepted
	Total	58.381	100			
	Between groups	9.345	3.445			
Quality	Within groups	70.900	.765	3.576**	.006	Rejected
	Total	80.245	-			
	Between groups	4.533	.010		-	
Package	Within groups	48.765	.380	2.555	.412	Accepted
	Total	53.298				
	Between groups	3.590	.324			
Availability	Within groups	74.650	.435	.029	.431	Accepted
	Total	78.240				

**Significant at 0.05 level

Inference: From the above table it is found that there is a significant difference between brand loyalty with regard to brand name and quality of cosmetic products. As far as price, availability and package is concerned there is no significant difference in respect to brand loyalty.

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CONCLUSION

Today's women are totally aware of various brands of cosmetic product available in the market and also to make decision regarding buying those brands as per their choices and preferences. They are very much conscious about the merits and demerits of the product they are using. Brand loyalty plays a very important role in the decision making process of women as far as cosmetics are concerned. The present study was carried out to know the factors related with the consumption pattern of young females with respect to cosmetic products. Namakkal district were chosen as the data collection area. It was found that majority of females prefer well established brands of cosmetics as their first choice. Also it was known that friends are the major source of information about the cosmetic products and very interesting to know that now a day's women take the advice of doctors before opting a cosmetic product. We also found that monthly income level of female consumers is increasing their expenditure for cosmetic products.

For marketers, it is important to decide to whom to direct the promotional efforts by recognizing why and how individuals make their consumption decisions. If the marketer understands the consumer buying behavior, they can easily predict how consumers are likely to react to various information and environmental changes and able to shape their marketing strategies accordingly. And in case of women as consumers they have to be more alert.

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