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"A STUDY ON CONSUMER BUYING BEHAVIOUR OF COSMATIC PRODUCTS IN TRINCOMALEE DISTRICT IN SRI LANKA – WITH SPECIAL REFERENCE TO SOAP & TALCUM POWDER"

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ABSTRACT

The aim of this study is to measure consumer buying behavior of cosmetic products in Trincomalee district in Sri Lanka. The selected district has eleven divisional secretary divisions out of which eight were considered for this study. It was focused that what sort of changes has occur in the cosmetic product market based on marketing mix and buyer characteristics. The prime objective of this study is to enhance adequate knowledge to those who purchase cosmetic products as well as to marketers who involve in selling those products. The variables included in this study were marketing mix and buyer characteristics. To measure these variables, data were collected from a sample of 200 respondents, selected randomly, from Trincomalee district. The collected data were analyzed using the univariate method. The collected data were presented in the form of table, bar charts, and pie charts and analyzed using the Microsoft package excel 2007 and SPSS version 20. The findings shows that two elements of the marketing mix, product and place, were highly influence the buying behaviour. At the same time, it was observed that buyer characteristics, cultural factors, influenced in low level and other factors influence in moderate level. In overall the consumer buying behavior moderately influence the purchasing on cosmetic products. Therefore, it is recommended that the marketers have to make product modification, and have to use new strategies to increase consumer buying behavior on cosmetic products.

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KEY WORDS: Buying behavior, Marketing mix, Cultural factors.

INTRODUCTION

Today the world is experiencing an explosion in the growth of businesses. Business firms operate in a highly competitive business environment are facing severe competation among them for increasing their market share. Scarbought and Zimmer (1996) claimed that if a firm wants to increase its market share that it has to do a continuous observation of the characteristics and marketing strategies towards the products because the consumer is the central player in the cast of every business. According to Chasten (1999), in seeking to understand future purchase decision trends or future performance, the marketer will usually have to perceive the end user market, if an organization does not have any idea about where they were, much less what they had to do, and they could not survive in its environment. Scarbought and Zimmer (1996) stated that the companies can enjoy the trust and recognition they receive from the customers whom they have served faithfully over the vears. Therefore companies need to understand customers need and wants and building products and service to satisfying them. In this way, marketers can build brand loyalty and complete effectively with other marketers or competitors (Gilbert, Churchill and Paul Peter 1998). Baker (1992) mentioned that the competitive organizations in the changing environment trying to survive by having considerable market share with value customers. The only way that the organizations could able to increase their market share is by providing continues flow of products, which respond to the changing and emerging taste of their customers. Therefore, a vital responsibility assigned to the marketer is that of observing and identifying the thoughts, feelings and actions of customers over the marketed products and identifying how much knowledge and expectations about their brand and how they behave towards those brands.

PROBLEM STATEMENT

The consumption and usage of cosmetic product shows a rapid increase over the past decade and tremendously rapid advancement in promotional activities in terms of advertisements supported this phenomena. There are varieties of cosmetic products in the market which are highly adored by the current generation especially of adults and their pattern of behaviours also changing Therefore, it is essential for the sellers to identify the pattern of purchasing decision of the cosmetic users in order to create and retain customers for their product and gain profit. As it is the cosmetic product market is almost new to the existing marketers in terms of sudden arrival of new product categories with special features into the

existing cosmetic product basket. It's also emphasizing decision based on 4Ps of product, place, price, and promotion. In order to gain the competitive advantage of in the field of cosmetic product market. Also the research findings for the survey data in the categories of cosmetic product marketing is lacking and it is highly necessary to study the present patterns of buying decision of the cosmetic consumers. This research "A Study on Consumer buying behaviour of cosmetic products in Trincomalee District" may be useful to the cosmetic product marketers for their better decision making.

RESEARCH OBJECTIVE

This research "A Study on Consumer buying behaviour of cosmetic products in Trincomalee District", aims the following objectives.

- To find out the buyer characteristics which influence the purchasing of cosmetic product by consumers
- 2) To find out the marketing mix elements which influence the purchasing of cosmetic product by consumers
- 3) To identify the nature and marketing position of the brands in the market place
- 4) To analyze highly influencing factors on current cosmetic product market and find out the reasons for it.

LITERATURE REVIEW Products

According to Boyd, Walker, and Larreche (1998), products are mainly divided in to consumer goods and industrial goods. In this chapter the consideration is made only on the consumer goods. Consumer goods fall into four subgroups such as convenience goods, shopping goods, specialty goods, and unsought goods. These subgroups vary primarily in the amount and kind of effort consumers exert in buying the products involved. According to Kotler 1995, marketing mix is a blend of four major components such as product, price, place, and promotion. Pride and Ferrell 2000 states, the marketing mix variables can be changed. However, there are limits to how much they can be altered. Marketing managers must develop a marketing mix that precisely matches the needs of people in the target market.

Price

Pride and Ferrell (2000) Stated that price is the critical component of the marketing mix because consumers are concern about the value obtained in an exchange. Price is often used as competitive tool. A company's pricing decision send a message to the market that helps shape the overall marketing

strategy. Price has to reflect issues of buyer behaviour, because people judge value in terms of their perceptions of what they are getting for their money, what else they could have had for that money and how much that money meant to them in the first place. Customers use price as an indicator of quality and desirability for a particular product, and thus price can reinforce or destroy the work of other elements of the marketing mix.

Place

Rachman and Mescon (1987) defined place as how products get to consumers. Transportation is the major factor here, but place also entails decisions about distribution outlets. Pride and Ferrell (2000) state to reach and keep customers, products must be available at the right time and in convenient locations. In dealing with the distribution variables, a marketing manager makes products available in quantities desired to as many target market customers as possible, keeping total inventory, transportation, and storage costs as low as possible. A marketing also select and motivated mav intermediaries, establish and maintain inventory control procedure, and develop and manage transportation and storage system.

Promotion

Churchill and Peter (1998) said that the most important decision a company makes is how it should inform prospective customers about its product. The alternatives are many, and the choice may determine the success of a marketing efforts.

Buyer characteristics

According to Pride and Ferrell (2000) the major factors, which influence consumers' behaviour, are set down as four variables namely personal factors, cultural factors, social factors and psychological factors. Pride and Ferrell (2000) not give much importance or weight to cultural factors. Kolter (2000) defines buyer characteristics are the characteristics which determined by the personal factor, social factor, cultural factor and psychological factor. Kotler (2000) defines all the four factors are important one.

Consumer buying behavior

Armstrong and Kotler (2000) view that many buying decisions involve only one decision maker and other decision may involve several participants, who play such roles as initiator, influencer, decider, buyer and user. Therefore marketers' job is to identify the other buying participants and their influence on the buyer, and develop an understanding of how consumers actually make their decisions. A person's purchase decision is the result of the complex interplay of personal, social, cultural, and psychological factors. At that time consumer may make five purchase sub decision, product decision, vendor decision, purchase quantity decision and timing decision.

RESEARCH METHODOLOGY Conceptualization:

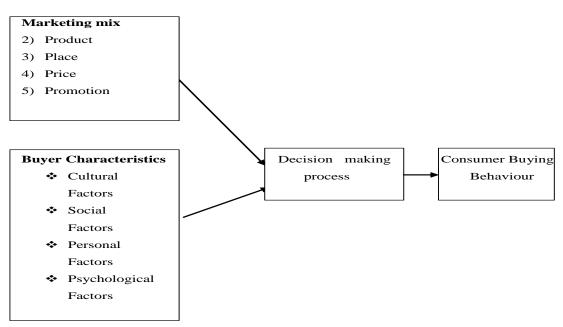


Figure 1: Conceptual Model (Developed for research purposes)

In this model the dependent variable is consumer buying behavior and the independent variables are marketing mix (4Ps) and the buyer characteristics. Buyer decision making process was considered as intervening / influencing variable. Product, price, place and promotion are coming under marketing mix variables (Kotler, 2000). Cultural, social, personal & psychological factors are listed under buyer characteristics where these influence an individual whether knowingly or otherwise before decide on their purchases.

Hypotheses

- H₁a There is a significant relationship between marketing mix and buyer characteristics with special reference to soap
- H₁b There is a significant relationship between marketing mix and buyer characteristics with special reference to powder
- H₂a There is a significant impact of marketing mix on buyer characteristics with special reference to soap
- H₂b There is a significant impact of marketing mix on buyer characteristics with special reference to powder

Population and sampling

A sampling is the selection of respondents from and among the population in the area where the research focuses. From the researcher's point of view, population includes individuals and families. The necessary that the chosen sample must reflect the whole population and their intentions. If it is not reflected, that may leads to be biased or unreal results

DATA PRESENTATION AND ANALYSIS Correlations analysis

Soa

Table1: Correlation for Soap

Table 1: Correlation for Soap						
		Product	Price	Promotion	Place	Buyer characteristic
	Pearson Correlation	1	.691	.571	.496	.513
Product	Sig. (2-tailed)		.000	.000	.000	.000
	N	200	200	200	200	200
	Pearson Correlation		1	.645	.542	.563
Price	Sig. (2-tailed)			.000	.000	.000
	N		200	200	200	200
	Pearson Correlation			1	.667	.562
Promotion	Sig. (2-tailed)				.000	.000
	N			200	200	200
Place	Pearson Correlation				1	.648
	Sig. (2-tailed)					.000
	N				200	200
Buyer	Pearson Correlation					1
characteristic	N					200

(Source: SPSS Output)

to the study. To know how consumers' marketing mix and buyer characteristics determines the consumer buying behavior of cosmetic product, sample is collected from population of Trincomalee district. To make the selection effective, sample is selected through stratified random sampling method.

Method of data collection

A questionnaire consists of set of questions presented to respondents. Under this study questionnaires were issued to householders which were selected on random. The respondents were told that real purpose of the study and their verbal expressions were also recorded with prior permission from them. The data collected from the 200 respondents have been analyzed in connection with personal as well as research data. Since this research focused on Trincomalee District for the convenience eight divisional secretarial divisions were only considered by giving equal opportunity to all religious and ethnic groups.

Method of data Evaluation

The collected data has been analyzed with the SPSS 20.0 software (statistical package for social sciences). Interpretation was made with the statistical output obtained. From which the conclusion and recommendations were derived by adding the verbal expressions collected from the respondents. The descriptive statistic analysis was used to get the results of each data variable. The correlation and regression analysis were used for marketing strategies to group the product, place, price and promotion related data variables.

According to the above table, correlation analysis, there is a significant relationship among product, price, promotion, place and buyer characteristics. This is validated with the above output with significantly correlated at 0.01 levels. The correlation

value among product, price promotion, place and buyer characteristics 0.513, .0.563, 0.562, 0.648 respectively which are significant at 0.01 levels.

Powder

Table2: Correlation for Powder

		Product	Price	Promotion	Place	Buying characteristic
	Pearson Correlation	1	.402	.581	.521	.624
Product	Sig. (2-tailed)		.001	.000	.000	.000
	N	200	200	200	200	200
	Pearson Correlation		1	.608	.593	.626
Price	Sig. (2-tailed)			.000	.000	.000
	N		200	200	200	200
	Pearson Correlation			1	.558	.621
Promotion	Sig. (2-tailed)				.000	.000
	N			200	200	200
	Pearson Correlation				1	.687
Place	Sig. (2-tailed)					.000
	N				200	200
Buying	Pearson Correlation					1
characteristic s	N					200

(Source: SPSS Output)

According to the above table, correlation analysis, there is a significant relationship among product, price, promotion, place and buyer characteristics. This is validated with the above output with significantly correlated at 0.01 levels.

The correlation value among product, price promotion, place and buyer characteristics 0.624, .0.626, 0.621, 0.687 respectively which are significant at 0.01 levels.

Regression Analysis

Table 3: Model Summary for Soap

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.513a	.264	.260	.40455
2	.588	.346	.340	.38211
3	.631	.398	.389	.36760
4	.703 ^d	.494	.484	.33773

(Source: SPSS Output)

There is a significant impact of product, price, promotion and place. Significance *p* value is less than 0.01. As per the regression results in the coefficient table given above, it has been noted that fitted model

revealed the significant relationship between the stated variables. The Adjusted R^2 values are 26%, 34%, 38.9%, 48.4% respectively, which are significant at 0.01 levels.

Table 4: Model Summary Powder

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.624a	.389	.380	.38322
2	.746 ^b	.556	.543	.32887
3	.757 ^c	.573	.554	.32501
4	.794 ^d	.630	.608	.30473

(Source: SPSS Output)

There is a significant impact of product, price, promotion and place. Significance p value is less than 0.01. As per the regression results in the coefficient table given above, it has been noted that fitted model revealed the significant relationship between the stated variables. The Adjusted R2 values are 38%, 54.3%, 55.4%, 60.8% respectively, which are significant at 0.01 levels.

Table 5: Summary of hypotheses

Hypotheses	Analysis	Results	
H₁a	Correlation analysis	Accepted	
H₁b	Correlation analysis	Accepted	
H ₂ a	Regression analysis	Accepted	
H_2b	Regression analysis	Accepted	

(Source: SPSS Output)

CONCLUSION Marketing mix

With regard to the marketing strategies the elements of marketing mix namely product, place, price, and promotion are having the great or moderate impact on purchasing decision. in the case of product element good smell as a good attribute of the product, safe and attractive packaging of the product and quality and familiar brand name are got the greater consideration.

When concerning the place element, availability of brand at any time, nearer outlets, and credit facilities are considered. In respect of price, cheaper price and reasonable price than other brands have large consideration. In the case of promotion media advertisement mostly influence the purchasing decision.

- Product:- As a product variable name, special features, quality, and size has favorable attitudes on the cosmetic product purchase. cosmetic product have more colour and design and familiar brand name make positive attitudes of cosmetic product
- Place:- As a place variable availability, easy identification, available near to house, warrantee and vender recommendation are play major role on the purchase of Cosmetic name, special features, quality, and size has favorable attitudes on the cosmetic product purchase.
- Price:- When make cosmetic product purchase as price variables, consumers give

more priority to reasonable price of the product and quantity satisfactory for price paid.

 Promotion:- Publicly recognized and Advertisements has more influence on purchase of cosmetic product as a promotion variables.

Buyers Characteristics

The characteristics of consumers are bound within cultural, social, personal, and Psychological factors. When consumers make purchasing decision they consider the social class of the consumer, residential area, family size of the user, income level, and popularity of the brand are influencing the decision of the consumers.

- Cultural Factors:- The value of religion and culture are less influencing in consumer preference and social class has influencing in buying cosmetic product.
- Social Factor:- Social factor are high influencing factor in consumer perception in purchasing cosmetic Product.
- Personal factor:- According to the personal factors, education level and occupation are influencing in consumer buying behaviour.
- Psychological factors:- This factor only has an important. This also high influence in purchasing.

Based on the research study carried out at Trincomalee district, the following conclusions are put forwarded.

- Majority of consumer's have been using cosmetic products for their beauty and attractive purposes.
- Among soap products, Lux is the most preferable brand as market leader and the Rani is next competitor in the said area.
- Among powder products, Ponds is found to be the most preferable brand as market leader and the Pears is next competitor in the said area.
- Consumers choose the best out of the many when the varieties kept available.
- Television is the most influential media for advertisements with demonstrations to consumers.
- The publicity given to the cosmetic products need to be improved.
- Most of the consumers expect future modification in cosmetic products according to their day to day requirements.

RECOMMENDATIONS

According this research, it is suggested that there are some factors influencing the purchasing decision on cosmetic products. By considering these factors marketers can capture large market share as well as satisfying consumer expectations. To achieve the objective of the study some recommendations are suggested below:

- Cosmetic product manufactures are to provide some offers to consumers when buying cosmetic products.
- Make attractive advertisements continuously and find some new avenues to increase the sales like increase the time of repeating an advertisement regarding cosmetic products.
- They arrange some mobile sales units in far away / remote areas where consumers face difficulties in buying cosmetic products.
- Marketers must introduce some uniqueness into their products like make some modifications on their product features such as quality, style, shape, etc.
- Make arrangements to have direct distributors in the areas of the district for making availability of the products throughout.
- Manufactures must meet satisfactorily the changing customer requirements.
- Introducing new product lines is also could be an opportunity to capture more market place for particular products

 News paper advertisements seems to be very ineffective because they reach very much poor level among the buyers especially people in the rural areas. Therefore, doing advertisement in a different way such as mobile displays and other attractive promotional activities preferred by consumers make more awareness regarding cosmetic products.

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